

REGULAR MEETING OF THE RCWD BOARD OF MANAGERS

Wednesday, April 22, 2020

Meeting conducted by alternative means
(teleconference or video-teleconference) from remote locations

2 Note: It has been determined that an in-person meeting is not prudent due to the health pandemic, and therefore
3 the meeting is being conducted by teleconference or video-teleconference. All votes must be by roll call.

4 **Minutes**

5 **CALL TO ORDER**

6 Vice-President Michael Bradley called the meeting to order, a quorum being present, at 9:00 a.m.

7
8 **ROLL CALL**

9 Present: President Patricia Preiner (joined the meeting at 9:02 a.m. via telephone and
10 video conference) 1st Vice-Pres. Michael Bradley (video conference), 2nd Vice-
11 Pres. John Waller (joined the meeting at 9:03 a.m. - via telephone conference),
12 Treasurer Steven Wagamon (video conference), and Secretary Marcie Weinandt
13 (video conference)

14 Absent: None

15 Staff Present via videoconferencing: District Administrator Nick Tomczik, Permit
16 Coordinator/Wetland Specialist Patrick Hughes, Project Manager Kyle Axtell,
17 District Technician Lauren Sampedro, Lake and Stream Specialist Matt Kocian,
18 Communications & Outreach Coordinator Beth Carreño.

19 Staff Present via videoconferencing in District conference room: Office Manager Theresa Stasica

20 Consultants via videoconferencing: District Engineer Chris Otterness from Houston Engineering,
21 Inc. (HEI); District Attorney Louis Smith from Smith Partners; Attorney John Kolb
22 from Rinke Noonan (portion of meeting)

23 Visitor via video conference: Brian Olsen-Ramsey County, Jessica Olson-Barr Engineering,
24 Shannon Granholm, Mark Statz-City of Centerville

25 **SETTING OF THE AGENDA**

26 District Administrator Nick Tomczik stated that he would like to add a new #1 under Items for
27 Discussion, RCWD Revenue and Expenditures under COVID-19.

28
29 President Preiner joined the meeting via telephone while she attempts to fix her video
30 conference call issues.

32 **Motion by Manager Weinandt, seconded by Manager Wagamon, to approve the agenda as**
33 **amended.**

34 **ROLL CALL:**
35 **Manager Waller – Absent**
36 **Manager Weinandt – Aye**
37 **Manager Bradley – Aye**
38 **Manager Wagamon – Aye**
39 **President Preiner – Aye**
40 **Motion carried 4-0.**

41 **READING OF THE MINUTES AND THEIR APPROVAL**

42 **Minutes of the April 6, 2020 Workshop. Motion by Manager Wagamon, seconded by Manager**
43 **Weinandt, to approve the minutes as presented. Motion carried 5-0.**

44 **ROLL CALL:**
45 **Manager Waller – Aye**
46 **Manager Weinandt – Aye**
47 **Manager Bradley – Aye**
48 **Manager Wagamon – Aye**
49 **President Preiner – Aye**
50 **Motion carried 5-0**

51 **Minutes of the April 8, 2020 Board of Managers Regular Meeting.**
52 **Manager Bradley asked for an amendment to the minutes on page 16, line 391 to strike some of**
53 **the language and state, “which is equally a Board obligation”. Motion by Manager Wagamon,**
54 **seconded by Manager Bradley, to approve the minutes as amended.**

55 **ROLL CALL:**
56 **Manager Waller – Aye**
57 **Manager Weinandt – Aye**
58 **Manager Bradley – Aye**
59 **Manager Wagamon – Aye**
60 **President Preiner – Aye**
61 **Motion carried 5-0.**

62 **CONSENT AGENDA**

63 **The following items will be acted upon without discussion in accordance with the staff recommendation**
64 **and associated documentation unless a Manager or another interested person requests opportunity for**
65 **discussion:**

66 **Table of Contents-Permit Applications Requiring Board Action**

No.	Applicant	Location	Plan Type	Recommendation
20-008	KA Investments	Spring Lake Park	Final Site Drainage Plan	CAPROC 7 items
20-014	City of Centerville	Centerville	Final Site Drainage Plan	CAPROC 6 items
20-017	Truth (MN) LLC	Roseville	Final Site Drainage Plan	CAPROC 6 items

71 **It was moved by Manager Weinandt, and seconded by Manager Bradley, to approve the**
72 **consent agenda as outlined in the above Table of Contents for permits 20-008, 20-014, and 20-**

73 017 in accordance with RCWD District Engineer’s Findings and Recommendations dated April
74 15, 2020.

75 **ROLL CALL:**

76 **Manager Waller – Aye**

77 **Manager Weinandt – Aye**

78 **Manager Bradley – Aye**

79 **Manager Wagamon – Aye**

80 **President Preiner – Aye**

81 **Motion carried 5-0.**

82 **PUBLIC HEARING: LAMOTTE PARK STORMWATER REUSE SYSTEM EXPANSION**

83 President Preiner statement: The regular Board meeting is now recessed, and the public hearing
84 is opened on the Rice Creek Watershed District’s proposed ordering of the LaMotte Park
85 Stormwater Reuse Irrigation Expansion Project. The purpose of this hearing is to receive
86 comments from the public on this project, which the Board is considering for cost-share
87 assistance in the City of Centerville.

88
89 Before the watershed district can provide funds for capital work of the City of Centerville, state
90 law requires that the board of managers hold a public hearing, receive public comments and
91 make a judgment that the project is a sound and cost-effective project to help fulfill our water
92 resource goals. That is the purpose of today’s hearing. In accordance with state law, notice of this
93 hearing was published for two successive weeks in the St. Paul Pioneer Press and mailed to all
94 cities within the watershed district, as well as the district’s four counties.

95
96 First, I would ask Kyle Axtell, District Project Manager, to give a brief presentation of the proposed
97 project. When his remarks are completed, the floor will be open for any members of the public
98 who wish to address the board. At that time, if you wish to comment, please come forward to
99 the podium and state your name and address for the record. If you have a written copy of your
100 statement, or any other documents that you would like to submit, please give them to Theresa
101 Stasica, our meeting clerk.

102
103 During public comment, managers are welcome to ask questions of commenters to clarify their
104 remarks. I also may ask Mr. Axtell or representatives of the City of Centerville to respond to any
105 technical questions raised. Managers will hold their own comments about the project until the
106 public hearing is closed. At that time, the board will have the opportunity to discuss the project.

107
108 Project Manager Kyle Axtell stated that this is a project proposed by the City of Centerville and
109 noted that Centerville Lake was added to the impaired list in 2002 because of excess phosphorus.
110 He gave a brief overview of their original reuse irrigation project and the TMDL and
111 Implementation Plan. He stated that this project was identified in Centerville’s LMP in 2019 and
112 included in the recently adopted RCWD 2020 WMP. He reviewed the project location and costs
113 and noted that the total cost is \$164,885 of which Met Council will contribute \$100,000, RCWD

114 will contribute \$31,552, and Centerville will contribute \$33,333. He explained that the project is
115 expected to remove 5.5 lbs of phosphorus per year.

116
117 President Preiner invited anyone who would like to offer comments about the project and
118 opportunity to speak.

119
120 She repeated her question and asked if there was anyone who wished to speak. There being no
121 further testimony from the public, President Preiner closed the public hearing.

122
123 **OPEN MIKE – LIMIT 12 MINUTES.** *Any RCWD resident may address the Board in his or her*
124 *individual capacity, for up to three minutes, on any matter not on the agenda. Speakers are*
125 *requested to come to the podium, state their name and address for the record. Additional*
126 *comments may be solicited and accepted in writing. Generally, the Board of Managers will not*
127 *take official action on items discussed at this time, but may refer the matter to staff for a future*
128 *report or direct that the matter be scheduled on an upcoming agenda.*

129 None.

130

131 **ITEMS REQUIRING BOARD ACTION**

132 **1. Consider Ordering of LaMotte Park Stormwater Reuse Irrigation Expansion Project (Kyle**
133 **Axtell))**

134 Project Manager Axtell reiterated that the cost-share portion for the RCWD is \$31,552.
135 He noted that this was originally prepared as a 2020 stormwater management grant
136 application, but it came in late so it was not considered. He stated that this is a strong
137 project and staff feels it quite likely that it would have been funded had it been turned in
138 on time. He reiterated that this was included in the RCWD 2020 WMP and noted that
139 there is \$150,000 included in the budget for the Anoka Chain of Lakes Management
140 project and this would be eligible for those funds. Staff recommends that the Board
141 approve this project. He noted that if the project comes in lower than estimated, it is
142 written in the resolution that the RCWD will reimburse the City for 20% of cost up to
143 \$31,552. He stated that 2 of the proposed irrigation areas are on private property and
144 the City is working on getting agreements from the property owners to complete the
145 project as planned. He explained that the District is asking that the project be operated
146 for 25 years and has a fund recapture clause included in the cost-share agreement.

147
148 Manager Wagamon noted that he believes their original project was the very first project
149 that he toured once he got on the Board.

150
151 ***Motion by Manager Wagamon, seconded by Manager Weinandt, to adopt Resolution***
152 ***2020-16 Resolution To Order The Lamotte Park Stormwater Reuse Irrigation Expansion***
153 ***Project Pursuant To Minnesota Statutes §103b.251 and Approve The Grant Agreement.***

154
155 **THEREFORE, BE IT RESOLVED** that pursuant to Minnesota Statutes §103B.251 and the
156 WMP, the Project is ordered and the Administrator is authorized to execute the attached

157 cost-share agreement with the City of Centerville with any non-material changes and on
158 advice of counsel.

159 **ROLL CALL:**

160 ***Manager Waller – Aye***

161 ***Manager Weinandt – Aye***

162 ***Manager Bradley – Aye***

163 ***Manager Wagamon – Aye***

164 ***President Preiner – Absent (due to technical difficulties)***

165 ***Motion carried 4-0.***

166
167 District Administrator Tomczik asked Project Manager Axtell to clarify the difference
168 between the permit, cost-share agreement, and the potential regulatory stormwater
169 treatment credit that might be established as well as the necessity for a perpetual
170 easement on the private parcels that are involved.

171
172 Project Manager Axtell explained that there is a little bit of a nuanced situation which was
173 why there is a clause about the financing. He stated that portions of the original re-use
174 project that was developed there and the expansion are utilized for regulatory purposes
175 through a Memorandum of Agreement (MOA) that the District has with Centerville. He
176 noted that he believes the MOA will be updated to incorporate this new expansion. He
177 explained that currently the plan by the City is not to use irrigation on the adjoining
178 parcels for regulatory credit for the permit that the Board just considered. He stated that
179 it is not in play right now, but his understanding is that it will be in play in the future,
180 which will require formal easement rights on those parcels. He explained that it is
181 separate from the cost-share issue, but there needs to be some sort of agreement that
182 allows them to irrigate there and noted that if they are unable to irrigate there, in the
183 future, there will be some financial reimbursement back to the watershed.

184
185 President Preiner rejoined the meeting after her technical difficulties. She noted that she
186 would like to officially record her vote on this item.

187 **ROLL CALL:**

188 ***Manager Waller – Aye***

189 ***Manager Weinandt – Aye***

190 ***Manager Bradley – Aye***

191 ***Manager Wagamon – Aye***

192 ***President Preiner – Aye***

193 ***Motion carried 5-0.***

194
195 **2. RCWD WQ Grant Application R20-02 Presbyterian Homes Shoreline Restoration-Phase**
196 **Two**

197 District Administrator Tomczik explained that this is something that would have typically
198 been on the Consent Agenda, but staff wanted to give a few more details and clarify how
199 it is a bit different than the typical application.

200
201 District Technician Lauren Sampedro explained that this project is a large shoreline
202 restoration at Presbyterian Homes Johanna Shores in Arden Hills. She explained that
203 Johanna Shores is about 21 acres and has active erosion along the entire length of the
204 shoreline. She noted that Phase 1 of this project was completed last year and the second
205 phase being proposed for this year involves restoring the remaining shoreline by
206 removing existing turf grass and invasive vegetation and replacing it with a coir log and
207 native plants. She showed a few photos of the existing condition in the Phase 2 area. She
208 stated that this project will result in a 47% reduction in volume, 93% reduction in TSS and
209 50% reduction in TP. She noted that the CAC did not meet in April so it has not been
210 considered by them. Staff and Ramsey County SWCD feel that 25% funding (\$11,158.75)
211 is appropriate for this project. She noted that Brian Olsen from the SWCD is also on-line
212 at this meeting if the Board has any questions.

213
214 ***Motion by Manager Bradley, seconded by Manager Weinandt, to approve the Water***
215 ***Quality Grant Contract R20-02, up to \$11,158.75 and not to exceed 25% of eligible***
216 ***project expenses, in accordance with RCWD Staff's Recommendation and established***
217 ***program guidelines.***

218 **ROLL CALL:**
219 ***Manager Waller – Aye***
220 ***Manager Weinandt – Aye***
221 ***Manager Bradley – Aye***
222 ***Manager Wagamon – Aye***
223 ***President Preiner – Aye***
224 ***Motion carried 5-0.***

225
226 District Administrator Tomczik noted that there have been discussions with the County
227 regarding invasive plants and species and there were questions about district policies
228 during those discussions. He stated that he wanted to note that while not adopted policy
229 these projects within approval and the plan it references “native plants” to be utilized
230 which provide a deep-rooted stabilization of the soil and ensure that the projects being
231 undertaken have a durability on the landscape.

232
233 **3. Consider 2020 Stormwater Management Grant Agreement Amendment-City of Saint**
234 **Anthony 2020 Street and Utility Improvement Project**

235 Project Manager Kyle Axtell stated that the District had over the last few years been
236 involved with the Watershed-Based Funding Pilot Program (WBFPP) funds from BWSR
237 that were split up by County. He stated that in 2019 the District had the first allocation
238 of funds and all the funding for Ramsey County was not used and had about \$20,000 left
239 over, which went to another project that was approved in 2020. He explained that both
240 the 2019 and the 2020 projects were with the City of St. Anthony. He stated that as they
241 were completing the paperwork to close-out the 2019 grant, they found that they did not
242 utilize all of the WBFPP funds that the City was awarded. Staff would like to amend the

243 cost-share agreement with St. Anthony for the 2020 project and allocate those unused
244 funds for the 2020 project, increasing the WBFPP grant to \$32,755.50. He noted that
245 maximum RCWD funding allocation would remain the same at \$23,000.

246
247 Manager Weinandt stated that this almost looks like it gives benefit to three counties,
248 Anoka, Ramsey and Hennepin. She asked if BWSR would once again be separating money
249 by county again this year for the WBFPP.

250
251 Project Manager Axtell stated that the BWSR grant received in 2019 covered a span of
252 three years and noted that BWSR did not separate the funds by county. Anoka and
253 Washington preferred the money be divided by county and spent within that county.
254 Ramsey County had no position. So ultimately the funds were divided by County and
255 spent within each respective County. He noted that the District internally divided the
256 funds by county.

257
258 ***Motion by Manager Weinandt, seconded by Manager Bradley, to Amend the 2020***
259 ***Stormwater Management Grant Agreement between the Rice Creek Watershed***
260 ***District and the City of Saint Anthony by increasing its maximum Watershed-Based***
261 ***Funding Pilot Program allocation to \$32,755.50.***

262 **ROLL CALL:**
263 ***Manager Waller – Aye***
264 ***Manager Weinandt – Aye***
265 ***Manager Bradley – Aye***
266 ***Manager Wagamon – Aye***
267 ***President Preiner – Aye***
268 ***Motion carried 5-0.***

269
270 **4. Consider Lower Rice Creek Project Plans and Bid Release**
271 Lake and Stream Specialist Matt Kocian stated that Lower Rice Creek has many sections
272 that are eroding and unstable and are contributing a large amount of sediment to Locke
273 Lake. He stated that the District received a BWSR grant in the amount of \$568,000 to
274 stabilize high-priority streambanks in Lower Rice Creek. He noted that the Board had
275 elected to hire Barr Engineering as the project engineer in June 2019. He stated that the
276 project plans have been reviewed by staff, county parks and the City of Fridley who are
277 local partners on this project. Staff is asking the Board to authorize staff, with the
278 assistance from Barr Engineering, to solicit for bids for the construction of the Lower Rice
279 Creek Stabilization Project.

280
281 Jessica Olson, Barr Engineering, gave a brief presentation regarding the Lower Rice Creek
282 Stabilization project. She stated that are currently 12 restoration areas for the project
283 and noted that it had started with one more area, but that area has been dropped based
284 on cost. She stated that this area may need to be revisited in the future. She stated that
285 the design for the 12 restoration areas include riprap, bank re-grading, vegetation and

286 toe-wood. She noted that the focus is on durable and low maintenance stabilization
287 measures.

288
289 President Preiner asked how much of an impact the results of this project will have by
290 leaving out the 13th area.

291
292 Ms. Olson stated that this area was a lower ranking area in terms of bank erodibility, so
293 in her opinion, it would have a fairly low impact on the overall project.

294
295 Lake and Stream Specialist Kocian stated that he agreed and doesn't think the District
296 would gain much by stretching themselves to include this area.

297
298 Ms. Olson reviewed the design considerations of the velocity, depth and shear stress at
299 each site and the high-flow events. She reviewed the purposes of the project and noted
300 that the primary purpose is to reduce sediment loading in Lower Rice Creek. She noted
301 that the secondary purpose of the project is to enhance the in-stream habitat. She
302 reviewed the specific plans for the different areas and explained boulder vanes and how
303 they will be used in some of the areas to help direct flow away from the eroding bank.
304 She explained some of the details of the bio-engineering behind toe-wood. She reviewed
305 the permitting that will be necessary from the Corps of Engineers and the DNR. She gave
306 a brief overview of the cost estimates with the total project coming in around \$624,000.
307 She stated that there will not be a group mandatory pre-bid site visit because of COVID-
308 19. In place of the group meeting, individual mandatory site visits will be required as part
309 of each contractor bid. She reviewed the next steps after Board approval which will
310 include issuing a bid package by late April or early May with bid opening in late May or
311 early June. She stated that it should come before the Board for approval at one of the
312 June Board meetings with construction to proceed in late summer or early fall of 2020.
313 She noted that because of COVID-19, the thought is that the bid opening will be done on-
314 line to keep the correct social distancing guidelines.

315
316 Manager Bradley stated that since the contractors will be visiting the site without staff or
317 engineering present, he asked what would be done to answer any questions or give
318 clarification on anything.

319
320 Ms. Olson stated that the intent would be that all questions be provided in writing to the
321 engineer after the site visit. Responses will be provided with bid addendums.

322
323 Manager Weinandt asked about Area 2 and access issues because of the public land and
324 the nearby private home in this area. She stated that she thinks this is probably going to
325 be a big communication issue because of the trails in the area and their increased
326 frequency of use because of COVID-19.

327

328 Communications & Outreach Coordinator Beth Carreño stated that she has met with her
329 peers in the City of Fridley and connected with some of the county parks departments.
330 She stated that they have talked about some communication with the local businesses
331 and others and discussed the use of signage and targeted mailings. She stated that she
332 also has plans to have an information page on the Lower Rice Creek Restoration Project
333 similar to what they have had for some other projects.

334
335 Lake and Stream Specialist Matt Kocian stated that regarding trail usage and public safety,
336 the contractor will be required to use signs and barriers to protect the public. He noted
337 that they are not expecting any long-term trail closures. He stated that all site accesses
338 will be through public property and not private property and a lot of time has been spent
339 determining the access and options to bring in equipment.

340
341 ***Motion by Manager Bradley, seconded by Manager Weinandt, to acknowledge receipt***
342 ***of final project plans and specifications from Barr Engineering, Inc., and authorizes staff,***
343 ***with assistance from Barr, to solicit bids for construction of the Lower Rice Creek***
344 ***Stabilization Project, and authorizes the administrator to approve minor revisions to***
345 ***project plans and specifications provided that the revisions do not significantly affect***
346 ***project cost or scope.***

347 **ROLL CALL:**
348 ***Manager Waller – Aye***
349 ***Manager Weinandt – Aye***
350 ***Manager Bradley – Aye***
351 ***Manager Wagamon – Aye***
352 ***President Preiner – Aye***
353 ***Motion carried 5-0.***

354
355
356 **5. Consider RCWD 2019 Annual Report.**

357 Communications and Outreach Coordinator Beth Carreño gave an overview of what is
358 included in the annual report such as assessment of the previous year’s annual work plan,
359 projected work plan for the following year and other information that has been included,
360 such as fiscal information. She noted that a draft of the content for the 2019 annual report
361 has been included in the packet and staff will continue to add photos and other details to
362 the report prior to being submitted to BWSR. She stated that the document is very
363 different this year than past years to more closely align with the Watershed Management
364 Plan. She thanked staff for their hard work to look at the work they do and how it is
365 accountable to both residents and the WMP and inclusion in the report. She asked the
366 Board to share editing changes they may see, such as spelling or grammatical errors.

367
368 Manager Bradley noted that on page 108, 3rd paragraph from the bottom, the first
369 sentence is not a complete sentence.

371 Manager Wagamon stated that he feels the report was very clear and easy to read this
372 year. He stated that he thinks that even people that don't know anything about the
373 watershed will be able to understand it.

374
375 Manager Waller stated that he feels the report provides a great deal more transparency
376 and accountability than it has in the past. He stated that he likes the financial report
377 relating to different categories. He stated that he hopes in future reports that the concept
378 of relating the finances to the actual categories in the report is expanded.

379
380 ***Motion by Manager Bradley, seconded by Manager Wagamon, to approve the 2019***
381 ***Annual Report with any necessary formatting and non-material changes and authorize***
382 ***submission to the Board of Water and Soil Resources by the deadline.***

383
384 **ROLL CALL:**
385 ***Manager Waller – Aye***
386 ***Manager Bradley – Aye***
387 ***Manager Wagamon – Aye***
388 ***President Preiner – Aye***
389 ***Manager Weinandt – Aye***
390 ***Motion carried 5-0.***

391
392 **6. Consider 2019 District Financial Report and Audit**
393 District Administrator Tomczik explained that the audit concludes with the Independent
394 Auditor's Report on Internal Control Over Financial Reporting and Compliance and other
395 Matters Based on an Audit of Financial Statements Performed in Accordance with
396 Government Auditing Standards letter and the Minnesota Legal Compliance Report. He
397 stated that the audit did not identify any deficiencies in the internal controls that the
398 District has in place nor is there noncompliance or other matters that are required to be
399 reported. He stated that they also found that there was nothing that caused them to
400 believe that the RCWD failed to comply with the provisions of the Minnesota Legal
401 Compliance Audit Guide for Political Subdivisions. He expressed his appreciation to Office
402 Manager Theresa Stasica for her work in helping the audit have such favorable findings.

403
404 Manager Wagamon stated that everything was completely clean and he agrees with
405 District Administrator Tomczik that much of the quality coming out of this report is
406 because of the quality of work that Office Manager Stasica put in. He noted that a
407 representative from Redpath and Company also commented that Office Manager Stasica
408 was really on top of things.

409
410 ***Motion by Manager Wagamon, seconded by Manager Bradley, to accept and authorize***
411 ***the filing of the Rice Creek Watershed District 2019 Annual Financial Report and Audit.***

412 **ROLL CALL:**
413 ***Manager Waller – Aye***

414 **Manager Weinandt – Aye**
415 **Manager Bradley – Aye**
416 **Manager Wagamon – Aye**
417 **President Preiner – Aye**
418 **Motion carried 5-0.**

419
420 **7. Consider Check Register dated April 22, 2020, in the Amount of \$426,186.25 prepared**
421 **by Redpath and Company.**

422
423 Manager Wagamon stated that there was a large expenditure from the City of St. Anthony
424 and asked District Administrator Tomczik to explain it to the Board.

425
426 District Administrator Tomczik stated that this is a grant pass through for the City of St.
427 Anthony.

428
429 Project Manager Axtell explained that this is the reimbursement payment for the Silver
430 Lake Road flood improvement project.

431
432 **Motion by Manager Wagamon, seconded by Manager Weinandt, to approve check**
433 **register dated April 22, 2020, in the Amount of \$426,186.25 prepared by Redpath and**
434 **Company.**

435 **ROLL CALL:**

436 **Manager Waller – Aye**
437 **Manager Weinandt – Aye**
438 **Manager Bradley – Aye**
439 **Manager Wagamon – Aye**
440 **President Preiner – Aye**
441 **Motion carried 5-0.**

442
443 **ITEMS FOR DISCUSSION AND INFORMATION**

444 **1. District Revenue and Expenditures Covid-19.**

445 Manager Wagamon read aloud a statement surrounding the revenue and expenditures
446 of the District related to COVID-19. He stated that the financial health of the watershed
447 is sound and, at this time, well positioned to manage the uncertainty of the current
448 COVID-19 crisis. He explained that the District has approximately \$8.8 million in the 4M
449 account and noted that the only money that would be off limits would be the surety
450 money. He stated that the District has a rule that it must keep at unaccounted fund
451 balance of 40% of the yearly budget and explained that if the District spent \$500,000 per
452 month there would still be about 18 months of cash on hand which puts the District in an
453 advantageous position. He stated that although this situation is not ideal, with staff
454 diligence and common sense, he believes the District can go on doing business as usual
455 until July. He stated that if there is going to be a problem, he thinks it would most likely
456 be during tax collection in December. He noted that he had spoken with President

457 Preiner, District Administrator Tomczik, and Redpath and Company numerous times since
458 the crisis began. He stated that they all agree that it would be baseless and futile to adjust
459 funds, make cuts, change goals, or move money around until at least July when the
460 situation can be more clearly assessed. He explained that Redpath and Company has said
461 that the District is in a better financial situation than almost all other watersheds that
462 they have audited. He stated that he personally thinks the District is in pretty good shape.

463
464 District Administrator Tomczik stated that he agrees with a good deal of what Manager
465 Wagamon shared. He stated that he has been in communication with various Board
466 members on potential approach to the developing situation. He stated that he thinks it
467 is good that we are all concerned and attentive to this issue and that should continue. He
468 stated that he thinks it would be good for the Board to consider what things they believe
469 are important for the District in order to be poised to take action if and when it is needed.
470 He stated that the news has shown the great increase in unemployment numbers and
471 concerns that it will have for landowners and everyone under economy changes. He
472 stated that he has also had some conversations with Houston Engineering as the District
473 has many Task Orders with them. He stated that he is trying to, in a financial way,
474 determine what is on the table that are open and what is coming up. He stated that they
475 will have more information after the first half of the year property tax payment. He asked
476 the Managers to provide feedback on things that they may be thinking in relation to these
477 things. He stated that if the Managers want to embellish the conversation and have some
478 of the numbers in front of them, that could be done. He noted that at a recent meeting
479 where the Board was discussing the RFP for the website, the thought was that perhaps
480 the District should wait until after July. He stated that if one of those RFP proposals was
481 found acceptable, the timing would probably be close because we would know the
482 revenue stream from the first half of property tax income and could decide if we want to
483 launch into that project. He stated that he expects the cost of the website to be around
484 \$60,000. He asked for ideas from the Board on other projects for him to explore in light
485 of the budget and potential changes due to COVID-19.

486
487 President Preiner stated that she thinks the cost for the website is fairly small and thinks
488 now is the perfect time for it to be worked on while everything is kind of slowed down.
489 She asked what the other Manager's opinions were about keeping the website project
490 moving forward.

491
492 District Administrator Tomczik stated that regarding the website, it is an RFP and not a
493 commitment to moving forward with the project. He reiterated that the details should
494 come back close to the July date where the District will know about the property tax
495 funding, so the Board can make a decision then.

496
497 Manager Bradley stated that this is one area where he is a fiscal conservative. He stated
498 that the Board knows that the District will be spending down their reserves in the next
499 few years, taxes were raised this year, and while he doesn't want to cut off important

500 projects, he thinks that the Board is going to see a 10-15% loss of property tax income.
501 He stated that he proposes the District ask Houston Engineering to take a look at how
502 they can cut their budget by \$100,000 for the last 6 months of the year and what would
503 have to be done differently. He suggested asking the same question of Smith Partners
504 law firm and ask them to cut their budget by \$50,000. He stated that he assumes that
505 perhaps some of the regulatory work can be done in house because staff is probably not
506 as busy now as they were before COVID-19. He stated that he would like the District to
507 be in a position to protect the upcoming years budgets.

508
509 Manager Wagamon stated that he spoke with Redpath and Company about the exact
510 things that Manager Bradley just mentioned and they felt it was extremely early to be
511 making those kinds of decisions.

512
513 The Board discussed whether the District Attorney and Houston Engineering would
514 charge the District to put together information on how their budget can be cut.

515
516 Manager Waller stated that he thinks it is a little early to know how a potential housing
517 crash will affect the District. He noted that he had done some research on his own
518 property back in the 2008-2009 time period and shared some examples of property values
519 in Washington County and the difference that makes in property taxes. He stated that he
520 thinks the situation should be monitored and discussed, but it is too soon to tell what will
521 happen at this time.

522
523 Communications and Outreach Coordinator Beth Carreño reiterated to the Board that the
524 website is lined up for an RFP, but that is not a commitment. She stated that she wants
525 to make sure the Board is in agreement on what was discussed that there will not be any
526 checks written this is just gathering more information.

527
528 President Preiner asked the Board if they had any other feedback for District
529 Administrator Tomczik.

530
531 Manager Bradley stated that he would like to see District Administrator Tomczik start
532 looking for areas of potential savings and where he thinks the District can do make
533 changes. He stated that he does not think the Board should take any action now, but then
534 it will be ready in August when the District finds out more information related to property
535 taxes in July. He stated that his idea is that the pain of these budget shortfalls can be
536 spread out over a few years rather than just moving it all into the future.

537
538 President Preiner stated that she agrees that we need to think about this, but expressed
539 concern about District Administrator Tomczik spending too much time working on it when
540 we don't really know what is going to happen.

541

542 Manager Wagamon stated that Redpath and Companies did say that one of the reasons
543 that they suggested having the 40% fund balance set aside is so the District doesn't have
544 to panic and spend a bunch of money up front trying to figure things out when we don't
545 really know what the answers are going to be or how we will be affected.

546
547 Manager Weinandt stated that she suspects that District Administrator Tomczik has
548 already been thinking about these things without specific Board direction. She stated that
549 she agrees with Manager Bradley's idea of spreading the ups and downs over a few years
550 rather than digging into the reserves too far.

551
552 District Administrator Tomczik stated that he has a few areas where he will start digging
553 into without spending too much time. He stated that he will look at areas for potential
554 savings with the staff and the consultants and be attentive to what spending is happening
555 out of the fund balance so the Board is prepared and poised to take action once there is
556 clear information. He noted that the number of permits is actually a little higher at this
557 time from previous years. He noted that the software modeling cannot be done in house
558 for these permits because the District does not have the software and expertise. He
559 reiterated that the three points he was going to be focusing on were: areas of potential
560 savings; effects on the fund balance and blending over the long term, and be poised for
561 action. He suggested that like the Managers Updates, this can be revisited as the District
562 moves along.

563
564 Manager Waller stated that he would like to add a fourth point to what District
565 Administrator Tomczik will be looking at. He stated that he would like the District to be
566 cognizant of the fact that the Federal government may be handing out money to the
567 States for local government and public health areas. He stated that he would like the
568 District to be attentive to the possibilities in case we could qualify to get some sort of
569 grant in these areas.

570
571 District Administrator Tomczik stated that staff is already tracking their internal COVID-
572 19 expenses and is prepared for that conversation if it comes up.

573
574 Manager Waller stated that if Manager Bradley's concerns come true and people are not
575 paying their property taxes, that could be some pretty good-sized costs and should also
576 be accounted for.

577
578 District Engineer Otterness stated that with regard to Task Orders, HEI will stop working
579 on them if the District asks them to. He stated that you can stop or delay projects too,
580 but anytime you do that there will be additional costs associated with it which can
581 sometimes cost more than proceeding with the project.

582
583 President Preiner asked how long it would take Houston Engineering to get back to the
584 District with what projects are out, where we are in the project, and the cost of delay.

585
586 District Engineer Otterness noted that it should not take very much time to look at a few
587 projects, as long as he knows what particular projects the Board would like to be looking
588 at. It will take a substantial amount of time to review every project.

589
590 District Administrator Tomczik stated that he would suggest the list be for projects that
591 have not yet started so the District doesn't incur any additional cost to the public on
592 something that is already underway. He stated that perhaps on larger projects there is a
593 key point where it could be put on hold without increasing the cost to the public.

594
595 President Preiner asked everyone to think about this and plan to fine tune it as the Board
596 moves forward.

597
598 **2. Staff Reports.**

599 District Administrator Tomczik stated that the District has a cost-share grant from 2016
600 with the City of Mounds View. He noted that the District has not yet released the funds
601 because we are waiting for an easement but staff has been in communication with the
602 City.

603
604 District Administrator Tomczik stated that it is the time of year where the District will
605 need contractors to conduct maintenance on the wetland banks that the District is
606 responsible for.

607
608 District Administrator Tomczik stated that at the time he was hired there were plans to
609 conduct a review at the 6-month time period. He stated that is coming up and asked the
610 Managers to begin thinking about his review and suggested that it could occur on May
611 13, 2020.

612
613 Manager Bradley asked if the Board could do a closed meeting to discuss the review even
614 though there is not a salary discussion associated with it.

615
616 District Administrator Tomczik noted that for the previous District Administrator review,
617 the Board met in a closed session and then opened it and shared a few statements
618 regarding the review.

619
620 President Preiner asked District Attorney Smith if the Board could hold a closed meeting
621 to discuss the District Administrator's review.

622
623 District Attorney Smith stated that the Board can have a closed meeting and provide a
624 summary at the next opened meeting.

625
626 President Preiner asked District Attorney Smith how much time it would take him to look
627 at ways to cut the budget for legal counsel.

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District Attorney Smith stated that he thinks that in discussion with District Administrator Tomczik, he believes that within an hour, they could assess the last 6 months of the year and make some judgments and decide on possible adjustments.

District Administrator Tomczik stated that there was an e-mail sent out regarding a compliance letter that was sent out regarding Permit 19-103. He stated that the individual responded and is working with staff to correct this situation.

District Administrator Tomczik stated that in the past he has forwarded the MAWD legislative update e-mail to the Board, but if the Managers are already directly receiving them there is no need for him to forward them along. He asked if there was anyone who needed to be on the list for him to forward this update.

President Preiner stated that she assumes Manager Waller will need it mailed to him.

District Administrator Tomczik noted that it is a video update, so it would only be available as an e-mail with a link to the video.

Manager Weinandt stated that she does not receive it and would like to be added to the list.

3. May Calendar.

Manager Waller asked if the stay at home order from Governor Walz had an expiration date.

District Administrator Tomczik stated that the stay at home order is set to expire on May 4, 2020 although Governor Walz has suggested it may be extended further. He noted that with each extension the Governor seems to be allowing for greater activities.

Manager Bradley stated that the May 6, 2020 meeting is a teleconference with the CAC and Manager Waller is on the schedule to be the liaison. He suggested that Manager Waller be moved out of the rotation until in person meetings begin happening again. He volunteered to attend in Manager Waller's place on May 6, 2020.

District Administrator Tomczik stated that staff will get the materials and information to Manager Bradley for the May 6, 2020 CAC meeting.

4. Managers' Update.

Manager Waller suggested that when the stay at home order ends if the social distancing rules are kept in place, he would like the Board to consider moving the Board meetings to one of the City Hall facilities that have a larger meeting space. He stated that this would

670 allow for in person meetings, but keep the 6 feet between members to comply with the
671 social distancing.

672

673 **ADJOURNMENT**

674 ***Motion by Manager Waller, seconded by Manager Bradley, to adjourn the meeting at 11:16***
675 ***a.m.***

676 **ROLL CALL:**

677 ***Manager Waller – Aye***

678 ***Manager Weinandt – Aye***

679 ***Manager Bradley – Aye***

680 ***Manager Wagamon – Aye***

681 ***President Preiner – Aye***

682 ***Motion carried 5-0***

683

684