

Capitol Region Watershed District



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Regular Meeting Minutes of the Capitol Region Watershed District (CRWD) Board of Managers, for **Wednesday, December 21, 2011, 6:15 p.m.** at the office of the CRWD, 1410 Energy Park Drive, Suite 4, St. Paul, MN 55108.

I. Called to Order at 6:15 p.m. (President, Bob Piram)

A) Attendance

Robert Piram
Joe Collins
Seitu Jones
Mike Thienes
Mary Texer

Others Present

Mark Doneux, CRWD
Anna Eleria, CRWD
Bob Fossum, CRWD
Dawn Nelson, CRWD
Forrest Kelley, CRWD
Matt Loyas, CRWD
Melissa Baker, CRWD

Jerry Wagner, CAC
Ed Matthiesen,
Wenck Associates
James Mogen, Ramsey
County Attorney
Anne Hunt, Mayor's Office
City of Saint Paul
Wes Saunders-Pearce,
City of Saint Paul

B) Review, Amendments and Approval of the Agenda

Manager Texer asked for additions or changes to the agenda. There were no additions or changes to the agenda.

The Board adopted the Agenda as provided by consensus.

II. Public Comment – For Items not on the Agenda

There were no public comments.

III. Permit Applications

A) Permit Programs/Rules Update – (Kelley)

Mr. Kelley noted that the Joint Technical Advisory Committee (TAC) convened on June 21, 2011 to discuss possible revisions to the Districts' Rules. Draft rule revision language was presented to the Board on November 16, 2011. Staff indicated a request to approve distribution of a draft rule for formal review would be presented on December 7, 2011 however; this was delayed in order to schedule an additional TAC meeting to informally review and discuss the proposed revisions. Mr. Kelley said that meeting was held on December 13, 2011. Discussion at the meeting focused on three main topics; the 10,000 sf land disturbance threshold, during-storm infiltration, and incidental wetlands. The meeting was productive and yielded good feedback and suggestions from the TAC members. Draft meeting notes have been provided for the Board and will be edited, finalized, and distributed to all members of the TAC. Staff also received written comments before the meeting from four entities.

Mr. Kelley discussed those comments and additional information regarding Metro Watershed Management Organization (WMO) and local city requirements and permitting thresholds. Most of the WMO's standards are straightforward, while city codes and permit triggers are not as clear.

Mr. Kelley said staff were going to review the written and verbal comments received and propose new language where deemed appropriate and consistent with District goals. These new revisions were going to

be presented to the Board on January 4, 2012 with a request to authorize distribution for a comment period. Mr. Kelley explained that through recent discussions with Senior Management at the City and Board Manager Collins, the City has requested a delay in starting the formal 45 day review period. Mr. Kelley said this delay is intended to allow for a more informal and thorough discussion with the City, as well as members of the Business community, to discuss the issues and concerns regarding regulating small sites. Mr. Kelley explained the Boards options, discussion occurred.

Anne Hunt thanked the Board and staff for the opportunity to comment. Ms. Hunt said the City of St. Paul would like to involve outside stakeholders in the process to discuss three main concerns with the rules: Regulating down to 10,000 square feet, requiring sureties for public projects, and regulating incidental wetlands. Ms. Hunt requested that the Managers delay the authorization for public comment in order for the department heads to assess the impact of these rule revisions. Manager Thienes recommended that the Board delay distribution for the 45-day Public Comment and have staff bring it back to the Board the 2nd Board meeting in February. Ms. Hunt said that is a short timeline and may need more time. Manager Texer reaffirmed that the motion on the table was delaying the distribution until February 15, 2012.

Mr. Kelley said CRWD staff, RWMWD staff, TAC members and the City of Saint Paul staff will meet again to put together a process and lay out a deadline for the process by February 8, 2012.

Motion 11-12-13: Delay distribution of revised Rule for 45-day Public Comment until the February 15, 2012 Board meeting.

Thienes/Jones/Collins/Texer
Piram Opposed

IV. Special Reports – No Special Reports

V. Action Items

A) Approve Minutes of the December 7, 2011 Regular Meeting (Nelson)

Dawn Nelson distributed revised December 7th minutes that included the Trout Brook discussion. Manager Texer requested approval of the revised December 7, 2011 Regular Meeting Minutes as presented.

Motion 11-12-14: *Approve Minutes of the December 7, 2011 Regular Meeting Minutes as revised.*

Jones/Piram
Unanimously approved

B) Accounts Payables/Receivables of November 2011

Manager Texer requested approval of the Accounts Payables/Receivables for the month of November 2011.

Motion 11-12-15: *Approve the Accounts Payables for \$248,512.06, the Accounts Receivable for \$74,048.01 and the Budget Report for the month of November 2011 and direct Vice President and Treasurer to endorse and disperse checks for payment.*

Thienes/Piram
Unanimously approved

C) Appoint 2012 Citizen’s Advisory Committee (Doneux)

Administrator Doneux said the Board of Managers must annually appoint the Citizen Advisory Committee members. In order to maintain an orderly CAC roster and fully comply with state statute the Citizen’s Advisory Committee submitted a recommended roster to the Board of Managers.

Administrator Doneux said at the December 14th CAC meeting committee members reviewed and discussed attendance for 2011. It was noted that regular attendance is a requirement of being a member of the

Citizen's Advisory Committee as well as that under state statute the Board of managers must annually appoint the Citizen's Advisory Committee.

Motion 11-12-16: *Reappoint the recommended Citizen Advisory Committee Members for 2012.*

Jones/Thienes

Unanimously approved

D) Adopt Fund Balance Policy (Doneux)

Administrator Doneux explained that in February 2009, Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions, which is effective for fiscal periods that begin after June 15, 2010. Administrator Doneux further explained that implementation of GASB 54 by the District is required for the year ending December 31, 2011, and early implementation is allowed. The key step to successfully implement the new fund balance requirements is for counties to plan ahead.

Administrator Doneux said the essential change in GASB 54 is that a fund balance that was previously classified as either restricted or unrestricted must now be placed in one of the following new categories:

Nonspendable fund balance – amounts that are not in a spendable form or are required to be maintained intact.

Restricted fund balance – amounts subject to externally enforceable legal restrictions.

Unrestricted fund balance – the total of committed fund balance, assigned fund balance, and unassigned fund balance.

Committed fund balance – amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the government body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance – residual amounts that are available for any purpose in the general fund.

Manager Texer asked to clarify maintaining a 40% Operations Fund Balance. Administrator Doneux stated the amount should be 50%.

Motion 11-12-17: *Adopt amended General Fund Balance Policy.*

Thienes/Piram

Unanimously approved

E) Adopt Final 2012 Budget and Levy (Doneux)

The Board has discussed and reviewed the preliminary 2012 Budget and Tax Levy during several meetings and numerous workshops this spring and summer. A copy of the summary budget and hearing notice was sent to the affected cities and Ramsey County officials in August. The Citizen's Advisory Committee reviewed and provided comments on the proposed 2012 budget and levy at their August meeting. A duly noticed Public Hearing was held on August 24th to collect public comment on the proposed 2012 budget and levy. The Board of Managers adopted a preliminary budget and levy at the September 7th 2011 meeting.

Administrator Doneux noted that before adopting the final budget and levy, CRWD staff recommends the following two budget amendments; Amend Stewardship Grant - Project Design and Assistance Budget 210-12142 from \$22,740 to \$53,500; and Amend Stewardship Grant - Stewardship and Partner Grants Budget 210-12143 from \$108,660 to \$203,250.

Administrator Doneux explained that the total of the two recommended Budget Amendments is \$125,350 and would be financed from the Operations Fund Balance. The Preliminary Fund Balance for December 31, 2011 is \$833,719; however, the final Operations Fund Balance is estimated to be approximately \$1,000,000 based on year-to-date expenditures and revenue.

Based on the recommended amendments the revised final budget provides \$355,550 for Administration, \$1,227,067 for Programs, \$785,408 for Projects and \$1,613,980 for Capital Improvement Projects. This totals \$3,982,005 for a Preliminary 2012 Budget and a resultant tax levy of \$2,493,474, which is a 6.65% increase higher than 2011.

Motion 11-12-18: Amend Stewardship Grant - Project Design and Assistance Budget 210-12142 from \$22,740 to \$53,500.

Collins/Jones

Unanimously approved

Motion 11-12-19: Amend Stewardship Grant - Stewardship and Partner Grants Budget 210-12143 from \$108,660 to \$203,250.

Collins/Jones

Unanimously approved

Motion 11-12-20: *Adopt Resolution certifying Final 2012 Budget and Levy Certification.*

2012 Final Budget and Levy

WHEREAS, At the June 15, 2011 Board meeting, the draft 2012 Work Plan was reviewed, and

WHEREAS, A Board workshop was held July 11, 2011 to review the detailed Operations Budget, CIP and Project Financing Plans and a Board workshop was held August 2, 2011, the Preliminary 2012 Budget and Levy was reviewed and amended, and

WHEREAS, at the CRWD Board of Managers meeting on August 3, 2011 the Preliminary 2012 Budget and Levy was reviewed and approved for distribution for Public Review and Comment, and

WHEREAS, on August 10, 2011 the Citizens' Advisory Committee reviewed and recommended adoption of the budget and levy as presented; and

WHEREAS, a duly noticed Public Hearing was held on August 24, 2011 at 6:00 PM at the office of the Capitol Region Watershed District with no members of the public present commenting on the budget, and

WHEREAS, the Board of Managers adopted and certified a preliminary budget and levy with an Operations Budget of \$2,242,675 and a Capital Improvement Budget of \$1,613,980 for a total budget of \$3,856,655 and Certified Levy of \$2,493,474 for 2012 at the September 7, 2011 meeting, and

WHEREAS, the Board of Managers amended the Budget on December 21, 2011 to include an additional \$125,350 to the Stewardship Grant segment of the Operations Budget ; and

THEREFORE BE IT RESOLVED that the CRWD Board of Managers approves and adopts the Final Operations Budget of \$2,368,025 and a Capital Improvement Budget of \$1,613,980 for a total budget of \$3,982,005 and Certified Levy of \$2,493,474 for 2012.

Thienes/Piram

Unanimously approved

F) HDR for Villa Park Preliminary Engineering (Fossum)

Mr. Fossum said at the May 18, 2011 Board Meeting the Managers authorized staff to distribute the Villa Park Wetland Restoration Project Preliminary Engineering Request For Proposals (RFP). At the July 6, 2011 Board meeting, the Managers approved HDR as the engineer for Villa Park Wetland Restoration Project Preliminary Engineering and authorized Board President and Administrator to execute a professional services agreement with HDR based on a final scope of work for an amount not to exceed \$91,000.

Mr. Fossum explained that the contract signed with HDR, Inc. requires project completion by December 31, 2011. Based on the current status of the project staff estimate project completion will be in February 2012. Staff request approval of the contract amendment to extend the completion date to March 15, 2011.

Mr. Fossum discussed the estimated costs and anticipated timing of the project based on latest discussions with City of Roseville staff and input from the community meeting. Mr. Fossum said HDR Inc. will be at a January 2012 Board meeting to review the full draft preliminary design report for the Villa Park Wetland Restoration Project.

Motion 11-12-21: *Approve contract Amendment #1 with HDR, Inc. for Villa Park Wetland Restoration Project Preliminary Engineering Study extending the completion date to March 15, 2012.*

Thienes/Collins

Unanimously approved

G) Trillium Site Water Resource Feasibility Study (Fossum)

Mr. Fossum said at the April 6, 2011, Board meeting the Managers authorized a professional services agreement with Inter-Fluve, Inc. to complete the Trillium Water Resource Feature Feasibility Study based on a final scope of work for an amount not to exceed \$136,500. Four meetings of the project Work Group have been completed to finalize the project design criteria and evaluate water source alternatives. Several additional meetings have been held with MNDOT, Met Council, and the City of St. Paul to discuss project coordination.

Mr. Fossum explained that several meetings have occurred and are anticipated to occur that exceed the number of meetings in the approved scope of work with Inter-Fluve, Inc. Mr. Fossum said staff is requesting a contract amendment to accommodate this effort beyond the approved scope and budget. Mr. Fossum said staff also requests an extension to the contract from December 31, 2011 to March 1, 2012 to complete the Feasibility Study.

Motion 11-12-22: *Approve Contract Amendment #1 with Inter-Fluve, Inc. for the Trillium Water Resource Feature Feasibility Study to increase the contract amount by \$13,100 for a total amended contract amount not to exceed \$149,600 and extend the project completion date to March 1, 2012.*

Collins/Piram

Unanimously approved

H) Arlington Avenue Wetland Response Letter (Eleria)

Ms. Eleria said in mid-November 2011, CRWD staff was contacted and informed by US Bank that the Arlington Avenue Wetland parcel is still available for purchase. US Bank also stipulated that the purchase of the parcel would likely require CRWD to grant an easement for the upland area to an undisclosed party. Ms. Eleria noted that staff discussed this latest development with the Board at the December 7th Board meeting where the Managers confirmed that they remain interested in purchasing the parcel, however, would only purchase the parcel in its entirety without an easement.

Ms. Eleria said staff have prepared a draft response letter to US Bank outlining CRWD's continued interest in and requirements for purchasing the parcel.

Motion 11-12-23: *Approve Arlington Avenue Wetland Response Letter.*

Piram/Collins

Unanimously approved

I) Neighborhood Stabilization Program Cooperative Agreement (Eleria)

Ms. Eleria said since August 2011, CRWD has partnered with the City of Saint Paul's Planning and Economic Development (PED) Department on creating water-friendly landscapes on single-family residential properties that the City is acquiring and redeveloping through its Neighborhood Stabilization Program (NSP). For each NSP property, CRWD has prepared a landscape plan that includes stormwater Best Management Practices (BMPs) to provide proper drainage away from the property, minimize stormwater runoff from the property, enhance the property's aesthetics and improve water quality of the Mississippi River.

Ms. Eleria said District staff and the City's PED Department seek to formalize the NSP partnership with a cooperative agreement for work to be conducted in 2012. Ms. Eleria reviewed the draft cooperative agreement between CRWD and the City's Housing and Redevelopment Authority who authorizes the programs and activities of the City's PED Department with the Board. Ms. Eleria explained that the draft cooperative agreement outlines CRWD's 2012 NSP work, which includes CRWD preparing up to 40 landscape plans for NSP properties and funding the construction costs (materials and labor) for the stormwater best management practices on each NSP property, not to exceed \$1,000 per property.

Motion 11-12-24: *Approve the Neighborhood Stabilization Program Cooperative Agreement with the City of Saint Paul HRA, subject to the review and approval of Ramsey County Attorney.*

Jones/Piram

Unanimously approved

J) Personnel Committee Recommendations (Piram/Collins)

Manager Piram said the personnel committee has a few recommendations for the Board to consider.

Administrator Doneux explained that Bearence has provided insurance to the District for general liability since 2003. During late 2011 the District has been researching other options for benefits for employees. Staff worked with Bearence to review and determine a new benefits package with the goal of attempting to provide cost savings for the District and District employees and obtain similar benefit coverage to those currently available to District employees through Ramsey County.

Administrator Doneux explained that Bearence obtained three quotations for health insurance from Health Partners, Blue Cross Blue Shield, and Medica. Based on a relatively younger and healthier staff than the combined staff of Ramsey County, during preliminary underwriting, the District was given a table rating of 1, which is the best. This rating is much better than the Ramsey County table rating and allows the District to select a very similar Health Partners health insurance plan in terms of benefit for about 60% less in cost.

For dental insurance it is not possible to find a plan that has similar benefits to the current Ramsey County Delta Dental PPO Plan. It has been determined that the District will be able to stay with Ramsey County Plan for dental insurance only in which case the committee recommends doing that and keeping the employee contribution the same (36%). Bearence could obtain Basic Life, Optional Life, Dependent Life, LTD, and STD with very similar benefits at similar costs.

Motion 11-12-25: *The District move all benefits to those offered by Bearence, with an employee contribution of \$11.66 (4%) for single and \$68.12 (10%) for family and stay with Ramsey County for dental insurance, effective February 1, 2012.*

Collins/Texer

Unanimously Approved

Motion 11-12-26: *The District provide payroll deductions and employee contributions to Health Care Flexible Spending Accounts and Dependent Care Spending Accounts and consider an employer contribution to the Health Care Spending Account for each employee to be determined and implemented no later than March 1, 2012.*

Collins/Thienes

Unanimously Approved

Personnel Committee

Manager Piram said based on the economy presently the Personnel Committee recommends placing a cap on the performance salary based increases for 2012. Manager Piram said the District should be consistent with the other government units who are limiting their salary increases to 3 percent.

Motion 11-12-27: *To limit salary increases in 2012 to a maximum of 3 percent for all District employees.*

Collins/Piram

Unanimously Approved

Manager Piram reported that the Board members provided their evaluations and the District Administrator performance review has been conducted. Manager Piram said with the scale used by the Committee, Administrator Doneux received a score of 94%. Manager Piram said that the Personnel Committee is recommending that the Administrator's salary be increased by 3 percent.

Motion 11-12-28: *To increase the Administrators salary 3 percent effective January 1, 2012.*

Texer/Collins

Unanimously Approved

VI. Unfinished Business

A) Trout Brook Stormwater Interceptor/35E-Cayuga Interchange Update (Eleria)

Ms. Eleria noted that MnDOT and CRWD have met to discuss the upcoming reconstruction of I-35E from University Avenue to Maryland Avenue and the potential impacts as they relate to CRWD's Trout Brook Storm Sewer Interceptor (TBI) since early 2011. Ms. Eleria said MnDOT has provided CRWD several concepts for realigning TBI in the vicinity of I-35E/Cayuga. CRWD has stated, in writing, its position on this project, which includes: 1) TBI should not be located between new bridge piers; 2) TBI should be relocated as far away as possible from Burlington Northern Santa Fe (BNSF) tracks and new bridge piers; and 3) the preferred TBI realignment should be in the vicinity of Met Council's existing sanitary sewer interceptor.

Ms. Eleria said MnDOT has prepared three new TBI realignment options based on comments from BNSF on feasible locations for realigning TBI and CRWD's stated position. CRWD staff have reviewed the new realignment options and supports only one out of the three options, Option G. Ms. Eleria explained that the other options either have the existing TBI located between new bridge piers or the new TBI would be located in close proximity to new bridge abutments and embankment, which could impact potential TBI access and

maintenance. Ms. Eleria explained that CRWD would support Option G under the following conditions; MnDOT will grant CRWD a 40-foot easement for the relocated TBI section; and CRWD cost contribution is capped at \$110,000 as part of a not-to-exceed cost-share agreement for the project. Ms. Eleria noted that the District has budgeted \$110,000 for TBI related repairs in 2012, which was determined prior to discussion of this project. Ms. Eleria said she has not received a formal response however she has spoken to MnDOT staff.

B) Highland Ravine Update (Eleria)

Ms. Eleria announced that the District was awarded a \$150,000 Clean Water Legacy grant for the Highland Ravine.

VII. General Information

A) CAC Update

Manager Thienes said the committee made recommendations to approve their 2011 meeting calendar and a list of committee members to be reappointed. Manager Thienes said Elizabeth Beckman provided a 2011 Stop the Rain Drain Program update.

B) Administrators Report

Administrator Doneux gave the Administrators Report and noted the following events and announcements:

Administrator Approved Agreements

The following contract amendment and grants were approved this period:

- 1) Amendment No. 3 to Trout Brook Storm Sewer Interceptor Work Order No. 1. The cost of general engineering services to increase from \$30,000 to \$45,000.
- 2) Stewardship grant to St. Christopher’s Episcopal Church for a rain garden at 2300 N. Hamline Ave in Roseville, the amount of \$675.
- 3) Stewardship grant to Anthony Mendoza and Dawn Zugay for a rain garden at 2088 Randolph Ave, St. Paul, in the amount of \$575.

General updates including recent and upcoming meetings and events

- 1) December Meetings and Events

Dec 13 Rules TAC Meeting 9:00 am – 12:00 pm
Dec 14 CAC Meeting 7:00 – 9:00 pm
Dec 16 CRWD Personnel Committee meeting 5:00 – 6:30 pm
Dec 21 CRWD Board & Staff Year-End Gathering 5:00 – 6:00 pm
Dec 21 CRWD Board of Managers meeting 6:00 – 8:00 pm
Dec 26 Christmas Holiday – CRWD Office closed
Jan 2 New Year Holiday – CRWD Office closed
Jan 3 Water Resource Work Group meeting 1:30 – 2:30 pm
Jan 4 CRWD Board of Managers meeting 6:00 – 8:00 pm

Administrator Doneux requested support for a Clean Water Partnership Grant for an existing funded 2012 Project. The Board supported this request.

VIII. Wednesday, January 4, 2012 Regular Meeting Agenda Review

IX. Adjournment – 7:50 p.m. adjourned by consensus.

Respectfully submitted,

Dawn Nelson