



Capitol Region Watershed District

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August 2, 2023
Board Meeting
APPROVED

Board Meeting of the Capitol Region Watershed District (CRWD) Board of Managers, for **Wednesday, July 26, 2023, at 6:00 p.m.**

MEETING MINUTES

I. A) Call to Order of Meeting (*Joe Collins, President*)

Managers

Mary Texer
Hawona Sullivan Janzen
Shawn Mazanec
Rick Sanders
Joe Collins

Staff Present

Rachele Krivichi
Anna Eleria
Elizabeth Hosch
Mark Doneux

Public Attendees

James Mogen, Ramsey County Attorney

B) Review, Amendments, and Approval of the Agenda.

Administrator Doneux requested item VI. B) Regional Transportation Planning in the District be moved to right after III. A) Permit 23-007, Camilleri Residence. Administrator Doneux introduced CRWD's new Administrative Assistant Rachele Krivichi to the Board of Managers.

Motion 23-105: Approve the Agenda of July 26, 2023, Board Meeting as amended.

Mazanec/Sanders
Unanimously Approved

II. Public Comment

No comments

III. Permit Applications and Program Updates

A) 23-007 Camilleri Residence (Hosch)

Ms. Hosch reviewed permit #23-007, Camilleri Residence, for the purpose of constructing a new single-family home within the custom homes section of the Highland Bridge development. Runoff will connect to approved permanent stormwater management outlined in CRWD Permit #20-013 Ford Site Redevelopment Stormwater Master Plan. Previous CRWD Permit #21-006 "Western Highland Bridge Block 19 and 25 Alleys" is located on the same block/lot (25/1) as the current Permit #23-007. Permit

#21-006 included 360 ft² of impervious on Block 25, Lot 1 to grade and pave an alley on the north side of the lot.

Motion 23-106: *Approve permit #23-007, Camilleri Residence, with four conditions:*

1. *Receipt of \$700 surety.*
2. *Provide a copy of the NPDES permit.*
3. *Grading and construction activity extends on to the south adjacent lot. Provide written permission from current landowner showing this work is acceptable.*
4. *Revise “Actual Impervious Coverage” from 3,637 ft² to 3,320 ft² on Impervious Surface Exhibit 1.*

Mazanec/Sanders
Unanimously Approved

B) Regional Transportation Planning in the District (Hosch)

Ms. Hosch provided a status update and discussed any existing or future collaboration for stormwater management. Current projects include Gold Line Bus Rapid Transit, Rethinking I-94, Reconnect Rondo, Purple Line Bus Rapid Transit/Phalen Creek daylighting, and the Mississippi Riverview Corridor/River Balcony/River Learning Center.

Manager Collins asked if it was really a streetcar or a bus. Ms. Hosch replied that it is a modern streetcar idea. Manager Collins commented that the rapid, high-frequency bus works very well to get to the airport. Ms. Hosch commented that there is a lot of public engagement in the project. Manager Sullivan Janzen asked about the serious flooding problems with the Mississippi River and wanted to know if the Wakan-Tipi project will reduce the risk. Ms. Hosch replied that she didn't know if there had been any conversation about this but that the Wakan Tipi Center may have the possibility for it. Manager Collins asked if it was possible to build a wetland down by the river to use as storage for the water. Mrs. Hosch replied that there was potential for it.

IV. Special Report – No Special Reports

V. Action Items

- A)** Approve Minutes of July 12, 2023, Workshop and Regular Board Meeting (Dalit)

Motion 23-107: *Approve the minutes of the July 12, 2023, Workshop and Regular Board Meeting.*

Manager Texer provided comments in writing about the meeting minutes, which will need to be reviewed by staff and updated accordingly. The Board tabled the approval of the July 12th minutes.

Mazanec/Sanders
Unanimously Tabled

- B)** Approve Accounts Payable/Receivable for June 2023 (Dalit).

Manager Texer stated that her last name was spelled incorrectly in the check register, which will need to be corrected by Redpath, CRWD's accountant, for future checks.

Motion 23-108: *Approve June 2023 Accounts Payable/Receivable and 2023 Year-to-Date Financial Report.*

Mazanec/Sanders
Unanimously Approved

VI. Unfinished Business

C) Preliminary 2024 Budget and Levy Update (Doneux)

Administrator Doneux provided an update on the Preliminary 2024 Budget and Levy. During the July 12th Board meeting, there was consensus on the proposed 2024 expenditures. The only change in the overall expenditures was to increase the 2024 Debt Service expenditure by about \$50,000 to account for the 2024 payments. Staff have addressed Capital Improvement Program, Committed or Assigned Funds. Staff have also provided three options that were requested for a CIP levy increase. Staff have also developed a Non-Property Tax Levy Revenue Detail, to better track and estimate non-property tax revenue. This will become increasingly important as we look to identify and track partner funding as part of our Facility Management Program. The last major change in the budget was to finally separate Debt Service from the CIP budget. The District's monthly accounts payable reports and annual audit have done this for several years. Staff felt that given the other changes, now would be the right time to make this structural change in the budget consistent with the other District financial reports.

Manager Texer commented that MAWD is now Minnesota Watersheds. In addition, under the section Volunteer Programs it should be Minnesota Water Stewards not Master Water Stewards. She asked if there should be anything for shoreline restoration under section 310. Deputy Administrator Eleria said the Lake McCarron shoreline work is captured in Fund #210 – Stewardship Grants. Manager Texer then commented that Minnesota Watersheds only has a small amount of money listed instead of the larger amounts and also asked where funding for research grants are located. Administrator Doneux said this is captured in Fund #211 – Monitoring and noted that CRWD staff member Bob Fossum is on the MN Stormwater Research Council Board.

Manager Collins asked if they are spending \$1.1 million in debt service next year. Administrator Doneux responded that that is accurate and explained the debt service budgeting process. Manager Collins responded by asking what the debt service payment is for. Administrator Doneux said this was for paying down debt service for the building bonds in 2018 and refinancing bonds from 2021.

In reviewing the overall tax levy, Administrator Doneux noted that the total levy dollar and percentages did not change. What did change was the increases for the Capital Improvement Program (CIP) tax levy. He noted that he is looking for direction from the board at this time and not an approval. Manager Collins noted that he felt the District should consider increasing the CIP tax levy for several reasons including the need to increase the unassigned CIP Fund Balance and because of the uncertainty of future post-COVID tax base impacts. Manager Collins supported the higher of the three options discussed.

Manager Texer concurred. Manager Texer asked what the impact of this would be on taxpayer wallets. Administrator Doneux commented that the individual tax impact has not been calculated yet and needs to be updated. Administrator Doneux asked for direction to complete the budget proposal up so he could

make a package to go out for public comment. The board consensus was that a 6.05% overall increase seemed appropriate at this time.

Staff shifted the discussion to the development of a Capital Improvement Program (CIP) Fund Balance Policy. Administrator Doneux said that it would take some time to adopt a new fund balance policy. It may take several years to get to that amount and can't be done in one year or one budget cycle. Manager Collins said he was expecting the balance over multiple years. He noted that depreciation is a unique concept with projects like Trout Brook, and doesn't see how you can depreciate, for example, a pipe, which is supposed to be there for 20 years. Deputy Administrator Eleria discussed that the presented numbers would not fully replace the Trout Brook interceptor. Manager Texer asked what would happen if there was a disaster and wondered if the budget could be put in priority order. Manager Sullivan Janzen asked if it meant we are self-insured if there is a natural disaster. Administrator Doneux stated, essentially yes, because you cannot get insurance on infrastructure underground. Manager Sanders asked if it was more of an emergency fund or more of a maintenance fund. Deputy Administrator Eleria responded that it was an emergency fund. She said we have a ten-year CIP for Trout Brook and we can decide which sections to replace first, then we either levy or bond. Administrator Doneux commented that we do not know if the insurance company would cash flow construction or if we'd have to pay and then get money later in the event of an emergency.

Manager Sullivan Janzen wanted to know if a phased increase would be put into place if there were significant expenses and wanted to know what our plan would be in the event of catastrophic conditions. She said this might be helpful in deciding what a targeted increase might be. Administrator Doneux noted that our current projected \$2 million dollar budget came from early engineering analysis that showed what a repair might cost and then they added to that. Deputy Administrator Eleria said she was giving all the information out now so that the board could make a decision later, and that they would be bringing in financial experts to review their plan. Manager Sullivan Janzen said she thought it was very helpful to have such a thoughtful plan and that it was important to understand disaster planning when there is money involved.

D) TBI Repairs-Sediment Removal Update (Eleria)

Deputy Administrator Eleria reported that 160 tons has been removed from inside TBI. There were no widespread issues discovered in the tunnel and no major replacement work will be needed. They did find cracks, infiltration, and exposed aggregate but these are standard defects that will be addressed with the upcoming repair project.

VII. General Information

A) Board of Managers' Updates.

The Board of Managers commented on a few recent events including the Willow Reserve Birding Event and the CAC tour of CRWD project sites.

B) Administrator's Update

None

VIII. Next Meetings

A) Wednesday, August 2, 2023 – Regular Board Meeting

B) Wednesday, August 9, 2023 – CAC Meeting. President Collins will attend the meeting.

IX. Adjournment

Motion 23-109: *Adjournment of July 26, 2023, Regular Board Meeting at 7:43 P.M.*

Mazanec/Sanders
Unanimously Approved

Respectfully submitted,
Rachele Krivichi