



MINUTES OF THE BOARD OF DIRECTORS
 October 26, 2016

In Attendance		Absent
Marc Johannsen	Vadnais Heights	
Bill Walsh	White Bear Lake - alternate	
Ed Prudhon	White Bear Township	
Rob Rafferty	Lino Lakes	
Marty Long	North Oaks	
Jim Lindner	Gem Lake - alternate	
Stephanie McNamara	Administrator	
Kristine Jenson	Program Mgr.	
Brian Corcoran	Water Resources Mgr.	
Nick Voss	Education & Outreach Cord.	
Tyler Thompson	GIS WatershedTech.	

Others in attendance: Margaret Behrens (Ramsey Conservation District), Anton Gregory & Jeff Moore (Vadnais Heights residents)

I. Call to Order

The meeting was called to order at 7:00 pm by Chair Johannsen. A quorum is present for the meeting.

II. Approval of Agenda

A motion was made by Rafferty and seconded by Lindner to approve the agenda as amended. Vote: all aye. Motion passed.

III. Approval of Minutes from August 24, 2016

A motion was made by Prudhon and seconded by Lindner to approve the minutes from the August 24, 2016 Board of Directors Meeting. Vote: all aye. Motion passed.

IV. Technical Commission Report to the Board

A. Activity Summary

TEC Report submitted to the Board

B. October Financial Report

Report submitted to the Board. Stephanie said at this time, it appears we will be a little bit under budget for the year. Rafferty asked what sort of interest rates we get on CDs. Stephanie stated that it isn't great but it has gone up a small amount.

V. New Business

A. Operations and Administration

1. Storm sewer certification – Resolution 07-2016

This is the final step in our annual process to complete the Storm Sewer Utility for 2017. The Budget with its anticipated income from the SSU was set in June that drove the rates for residential and non-residential properties which were approved in August. Staff has been working with our SSU consultant and the counties to review property divisions and other updates since then. The charges to each non-exempt parcel are now ready to be certified as we do each October.

RESOLUTION 07-2016

A RESOLUTION CERTIFYING STORM SEWER UTILITY CHARGES TO THE COUNTY AUDITOR TO BE ASSESSED ON REAL ESTATE TAXES PAYABLE IN 2017.

WHEREAS, Minnesota Law 2008, Chapter 366, Article 6, Section 47 provides that the Vadnais Lake Area Water Management Organization may certify to the County Auditors the amounts of storm sewer utility charges to be collected on said premises the ensuing year; and

WHEREAS, the Storm Sewer Utility (SSU) Rule of the Vadnais Lake Area Water Management Organization, provides that the watershed may certify to the County Auditors the amounts of unpaid utility charges to be collected as part of the tax levy/special assessments on said premises the ensuing year;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE VADNAIS LAKE AREA WATER MANAGEMENT ORGANIZATION, AS FOLLOWS:

1. Attachments 1 and 2 attached hereto and made a part thereof by reference is a list of parcels of real property lying within the VLAWMO limits of which have surface water runoff and on which there are service charges payable in 2017
2. The Board hereby certifies said list and requests the Ramsey County Auditor and Anoka County Auditor to include in the real estate taxes/assessments due the amount set forth in Attachments 1 and 2 with taxes/assessments due and payable in 2016.
3. The VLAWMO Administrator is directed to tender a certified copy of this Resolution to the Ramsey and Anoka County Departments of Property Records and Revenue.

The motion for adoption of the foregoing resolution was made by Director Jones duly seconded by member Director Rafferty and upon vote being taken thereon, the following voted in favor thereof:

Directors: Jones, Long, Prudhon, Johannsen, Lindner, Rafferty

and the following voted against the same: None

Whereupon the resolution was declared passed and adopted.

2. Adoption of the 2017-2026 Watershed Management Plan – Resolution 08-2016

The Board of Water and Soil Resources approved the VLAWMO Watershed Management Plan at their September 28th meeting. Copies of the final Plan will be available for the Board at the October 26th meeting to replace the draft version given out earlier this year. Staff requests the Board officially adopt the new Water Plan via Resolution 08-2016.

Once it is adopted, VLAWMO will send out the final versions to the appropriate agencies and provide a pdf version of the Plan on the VLAWMO website.

Resolution 08-2016 was moved by Director Lindner and seconded by Director Prudhon:

RESOLUTION NO. 08-2016

A RESOLUTION ADOPTING THE COMPREHENSIVE WATER MANAGEMENT PLAN FOR THE YEARS 2017-2026.

WHEREAS, the Vadnais Lake Area Water Management Organization (VLAWMO) is required to adopt a 10-year Comprehensive Water Management Plan, dated October 26, 2016 (Plan) consistent with Minnesota Statutes Chapter 103B, 103D and 471.59, and

WHEREAS, the current Water Management Plan will expire December 31, 2016, and

WHEREAS, VLAWMO has completed a new Plan which has been reviewed by the appropriate agencies and approved by the MN Board of Soil and Water Resources at their September 28, 2016 meeting,

THEREFORE BE IT RESOLVED that the Vadnais Lake Area Water Management Organization has adopted the Plan and will provide the document to the designated agencies and make it available on the VLAWMO website.

Vote: All aye

The resolution was declared passed and adopted by the VLAWMO Board of Directors.

Comment: Johannsen congratulated staff on producing a great looking plan that is not only useful but is easy to read.

3. Water Standards Policy – Resolution 09-2016

Comment deadline ended September 30th. We received comments and developed a spreadsheet with all the comments and our responses. Many comments were minor typos or language updates to reflect current vernacular. Changes can be seen on comments spreadsheet. This policy is meant to be consistent with current rules and standards.

Staff requests the Board officially adopt the new Water Standards Policy via Resolution 09-2016.

Once it is adopted, VLAWMO will send out the final version and comments spreadsheet to the appropriate agencies and provide a pdf version of the Policy on the VLAWMO website.

Resolution 09-2016 was moved by Director Lindner and seconded by Director Jones:

RESOLUTION NO. 09-2016

A RESOLUTION ADOPTING THE UPDATED VLAWMO WATER POLICY

WHEREAS, the Vadnais Lake Area Water Management Organization (VLAWMO) adopted a set of Water Policies in 2009, and

WHEREAS, the current Water Policy Handbook was in need of an update to reflect current rules and standards and to reflect the goals of the 2017-2026 Watershed Management Plan, and

WHEREAS, VLAWMO has completed a new Water Policy Handbook which has been reviewed by the appropriate agencies and was recommended for approval by the VLAWMO Technical Commission at their October 14, 2016 meeting,

THEREFORE BE IT RESOLVED that the Vadnais Lake Area Water Management Organization has adopted the updated Water Policy Handbook and will provide the document to the designated agencies and make it available on the VLAWMO website.

Vote: All aye.

The resolution was declared passed and adopted by the VLAWMO Board of Directors.

Comment: Johannsen commended staff on completing this.

4. Education and Outreach Plan – Resolution 10-2016

The education and outreach plan is both a conceptual guide as well as a measurable tool for VLAWMO's education and outreach efforts. Fulfilling priority issue #3 of the comprehensive water plan as well as the education and outreach VLAWMO core activity, this EOP has been strategically designed to fit VLAWMO's needs and resources.

Resolution 10-2016 was moved by Director Prudhon and seconded by Director Jones:

RESOLUTION NO. 10-2016

A RESOLUTION ACCEPTING THE EDUCATION AND OUTREACH PLAN

WHEREAS, the 2017-2026 Comprehensive Water Plan states its third priority issue as a “need for education and involvement from citizens and stakeholders,” and
WHEREAS, Education and Outreach is one of the five core activities of VLAWMO, and
WHEREAS, to support VLAWMO’s mission, an education and outreach plan was produced to maintain a structured list of goals, objectives, and desired results that is strategically targeted to various audiences and sub-watersheds, is open to the needs and opportunities of the watershed and community, and is evaluated annually based on results.

THEREFORE BE IT RESOLVED, that the Vadnais Lake Area Water Management Organization adopts the Education and Outreach Plan.

Vote: All aye.

The resolution was declared passed and adopted by the VLAWMO Board of Directors.

Comment: Johannsen stated that he is excited about the efforts we have made and plan to make to educate about the importance of water. He feels it will be one of the most important issues across the country over the next 50 years and it is already an urgent topic locally. Johannsen stated that the work is challenging and that Nick has the energy for it and thanked him for his efforts. Lindner stated that he sees the projects we have done with schools and thinks it is great to see how we work with kids on environmental issues. Jones stated that it will take a lot of steps to get people educated but it is a hot topic right now. Prudhon also stated that the challenge comes when people can’t see something (such as groundwater or the underground treatments) so to be able to connect people with something they can’t necessarily see is important. Rafferty stated that reaching kids will pass on to the adults in their lives so working with them is very important.

5. Boundary Change Update

The MN Board of Water and Soil Resources has approved the VLAWMO Petition for Boundary Change at its regular meeting in August. As you will recall this involves 96 parcels in White Bear Lake. Notice of the change has been sent to VLAWMO and to Ramsey County records and sent the approved documentation to Ramsey County. The certification report includes those 96 parcels and assesses a Storm Sewer Utility fee to them for the first time.

Comment: Prudhon suggested that staff send out an informational flyer to those parcels to inform them about the change to alleviate any confusion. Johannsen agreed that this would be a good thing to get done. Stephanie said she would get something mailed out.

6. Technical Services Contract with RCD

VLAWMO has actively partnered with Ramsey Conservation District (RCD) since VLAWMO was formed in 1983. At times RCD has provided a variety of assistance over the years. The contract for technical assistance for your consideration tonight is very similar to what we authorized two years ago. Some of the services they have provided include retrofit studies, vegetation and bathymetric analysis on targeted lakes and project design assistance. Their partnership has leveraged grant funding that has helped pay for some of the above studies as well as installation projects like the Oakmede stream bank restoration (\$50,000) and the lower Kohler streambank restoration (\$50,000).

The contract represents a slight increase from 2 years ago by \$2000 per year. The total contract would be for \$14,000 to be used as needed in 2016 and 2017. The additional funding (\$4000 total) would allow landowners within VLAWMO to utilize the native landscape design services of RCD with prior authorization from VLAWMO. This is something that is already provided in many of our

neighboring watersheds. We think this will provide a needed service to our landowners and further our cost-share program.

Recommendation: Approval of the RCD-VLAWMO 2016-17 Service Agreement.

Comment: Prudhon asked if our lawyer should look at this. Stephanie said that this is a very standard contract

Jones asked about the additional service to do design for landowners. Stephanie stated that it is a service that other watersheds provide and we had done it in the past but we wanted to structure it where staff were made aware before any work with landowners occurred.

It was moved by Lindner and seconded by Rafferty to approve the RCD Technical Services Contract.

Vote: all aye. Motion passed.

7. VLAWMO Bidding Process and Request for Proposal (RFP)

At the last Board meeting the Board expressed the desire to make sure the VLAWMO bidding process was fair, transparent, and was positioned to secure the best bids possible on goods, services and construction. VLAWMO has had the system of securing multiple bids from qualified contractors or professionals. It was noted at the last meeting that construction of water quality projects often has a limited number of experienced contractors working in this field.

In order to clarify and perhaps improve our bidding process, I reached out to a number of people. Guidance on what is legally required and suggestions of best practices came from our attorney. Several of our municipalities were contacted to find out more about their processes. Responses were received from three of them. Also other watersheds and the League of MN Cities were contacted. Documents on the League of MN Cities website were helpful as well. Below are the results and a potential process for VLAWMO to follow that you may consider.

According to our attorney securing goods and services can fall into two major categories, Professional services and Contracting Services. They are handled somewhat differently.

Professional Services

As far as RFPs, they are typically sought for professional services since such contracts are not subject to the Municipal Contracting Law. Our attorney (Troy Gilchrist, Kennedy & Graven, Chartered) stated that we are not statutorily required to obtain a certain number of proposals before the commission can act to hire a professional. Proposed process: VLAWMO will send requests for proposal to at least 3 qualified candidates for professional services (e.g. auditing, legal, engineering) and will advertise in at least one publication of appropriate circulation. League of MN Cities; Press Publications; VLAWMO website.

Contracting Services

A contract is defined in MN Ch. 471.345. subd.2 as “A "contract" means an agreement entered into by a municipality for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property.”

Proposed process: VLAWMO should follow the procedural requirements to let such contracts are determined by the estimated amount of the contract. This is based on direction from the VLAWMO attorney and guidance published by the League of MN Cities. The current categories are:

\$0 - \$25,000 – On the open market or by at least two written quotes. If direct negotiation is used, the city must get at least two quotations when possible and keep them on file for at least one year.

\$25,000 - \$100,000 – By at least two written quotes or by sealed bids. Direct negotiation may be used with two quotes or more. The quotes must be kept them on file for at least one year.

Above \$100,000 – By sealed bids in a competitive bidding process.

Process:

- 1) Specifications shall be developed and follow LMC guidance for fairness and transparency.
- 2) Bid advertising shall be done in VLAWMO's official publication or recognized industry trade journal at least 10 days before the last day for submission of bids. VLAWMO may consider advertising with LMC, the VLAWMO website or appropriate trade journal.
- 3) Bid contents, submission, opening and tabulation, investigation, disposition, rejection, lowest responsible bidder and bid variance process will follow LMC guidance.
- 4) VLAWMO may utilize best value contracting which considers performance factors with price when awarding construction contracts. Those criteria must be spelled out in the Request for Proposal. The relative weight of selection criteria, price or other criteria will be identified in the RFP. Criteria may include:
 - i. Quality of performance on previous projects (this does not include the exercise or assertion of a person's legal rights).
 - ii. Timeliness of performance on previous projects.
 - iii. Level of customer satisfaction on previous projects.
 - iv. Record of performing previous projects on budget and ability to minimize cost overruns.
 - v. Ability to minimize change orders.
 - vi. Ability to prepare appropriate project plans.
 - vii. Technical capabilities.
 - viii. Qualifications of key personnel.
 - ix. Ability to assess and minimize risks.

Comment: Johannsen said this is a good

Prudhon asked if we are required to take the low bid. It was explained that it is the lowest **responsible** bidder. Prudhon stated that we would need to have a very good reason to not hire the low bidder. Johannsen stated that there are protections and standards that the City of Vadnais Heights and other local governments have for these processes.

It was moved by Rafferty and seconded by Jones to approve the bidding process as described.

Vote: all aye. Motion passed.

8. Liability Coverage

A question has come regarding the Liability insurance coverage that VLAWMO carries. We have carried the same amount of coverage for a number of years. It would appear that our \$1 million coverage is low by today's standards. The State of Minnesota sets the maximum liability at \$1.5 million in MN Ch.466.04. This could leave VLAWMO at risk for the remaining half million dollars. I would not recommend this as an acceptable risk for an organization with our size budget. Our license agreement with the Town of White Bear also requires that VLAWMO carry \$1.5 million and that they be named on the policy. The second portion of that requirement has been met. Our insurance agent has advised that the additional coverage would cost another \$500/year. We currently pay \$3,073 annually as part of a package that includes commercial auto, general liability, inland marine and workers compensation. The general liability premium is \$1,178. So it would increase to \$1,678 for this year. The anniversary date on our coverage starts Aug. 23rd.

Recommendation: I would recommend that we increase our coverage to the maximum liability established by state statute of \$1.5 million, which would increase our costs by \$500/year.

Johannsen stated that he feels we should adopt a policy that we will automatically increase our insurance when it changes statutorily and added to the following motion.

It was moved by Johannsen and seconded by Rafferty to approve the increase in our liability coverage to \$1.5 million and to establish a policy to automatically increase our insurance coverage in conjunction with any changes to MN Ch.466.04. Vote: all aye. Motion passed.

B. Projects and Programs

1. *Whitaker Treatment*

a) White Bear Township Agreement

White Bear Township Board has approved a contract between VLAWMO and the Township for use of Columbia Park. This contract will allow VLAWMO the ability to construct the Whitaker treatment wetland in Columbia Park. Staff is looking for approval of the TEC recommendation to Board for VLAWMO approval of license agreement.

Comment: Prudhon asked who will be doing the monitoring on this project. Brian stated he and Tyler Thompson will be conducting the monitoring.

It was moved by Long and seconded by Jones to approve the White Bear Township license agreement. Vote: all aye. Motion passed.

b) Burns & McDonnell Contract

The draft contract with Burns and McDonnell for project design, construction and oversight was received late last Friday. Site topographic survey along with geotechnical & hydrogeologic characterization will be completed this fall after contracts are approved. The Scope of Work identified is consistent with the project Work Plan. Staff would like to have the attorney review the contract language as well. The format is a Design-build contract which is slightly different than we have used before. However, our timeframe is such that the geotechnical field work (soil borings and surveys) needs to be completed this fall before the final design of the treatment wetlands can be done.

We are hoping the Board will feel comfortable with conditionally approving the agreement with Burn and McDonnell pending approval of the attorney and authorize the signing of the agreement. This will allow the project to move forward this fall without the need for a special meeting.

Recommendation: The Board conditionally approves the agreement between VLAWMO and Burns & McDonnell to design and build the Subsurface Constructed Wetland Pilot Project pending approval of the VLAWMO attorney. The agreement shall not exceed the current grant funding from the State of Minnesota without the approval of the Board. Signing authority has been delegated to the VLAWMO Administrator and the Project Manager.

It was moved by Lindner and seconded by Jones to conditionally approve the Burns & McDonnell contract. Once the contract is approved by the VLAWMO attorney and it is clear that the agreement shall not exceed current grant funding, signing authority is given to the VLAWMO Administrator and the Project Manager to sign the contract.. Vote: all aye. Motion passed.

2. *Kohler Streambank Restoration*

VLAWMO has been working with the contractor and RCD to trim costs on the project, doing majority of the work this winter should help reduce costs. City of Vadnais Heights will be helping with the project as well and will be working with the contractor to extend the tree removal and grubbing as

far downstream from project as possible. VLAWMO has sent out letters to homeowners near project explaining the project timeline and what will be happening. VLAWMO will also host a meeting at city hall on the project for residents. This meeting will take place the end of October before any work is done. Preliminary tree removal and grubbing will begin after the October 27th resident meeting and all agreements have been signed. Main project work will take place this winter.

a) Contract with RCD

Our partner in this project is the Ramsey Conservation District who has not only worked on design of the restoration but has secured \$50,000 Clean Water Fund grant money to pay for most of the expenses. RCD will serve as the administrator of the grant. VLAWMO will administer the project and be reimbursed up to the grant amount. The first agreement before you tonight is the agreement between RCD and VLAWMO spelling out our responsibilities. The form of the agreement has been used before on joint projects. Approval is recommended.

It was moved by Prudhon and seconded by Jones to approve the RCD agreement for the Kohler Streambank Project. Vote: all aye. Motion passed.

b) Contract with Outdoor Labs

The second agreement is with Outdoor Labs, the contractor who will be doing the work. The price has been reduced by \$4000. The total is now at not to exceed \$94,000. Work is spelled out in the attachments to the agreement. Staff recommends approval of this agreement as well.

It was moved by Prudhon and seconded by Rafferty to approve the agreement with Outdoor Labs to not exceed \$94,000 for the work associated with the Kohler Streambank Project. Vote: all aye. Motion passed.

3. Lower Lambert Lake/Pennington Place Flooding Issues

With the back-to-back significant storm events that we have been experiencing the last few years, Lambert Creek/Ditch 14 has been flooding residents' backyards near Pennington Place in Vadnais Heights. The section in question is just upstream from Edgerton St. in Vadnais Heights, in the Lower Lambert Lake area. This section of ditch is wetland and was historically a lake. Fill was most likely brought in to construct the housing development. The houses are not flooding, but backyards along the creek are. Residents believe that this section of ditch is silting up and the down trees in the ditch and culvert/storm water drains are aiding the problem. After more investigation into these concerns, staff is reporting back to the Board with possibilities of direction, as recommended by the TEC. VLAWMO staff is prepared to recommend to the Board that a wetland delineation would be the next proper step if the Board would like to move forward with this flooding issue. The delineation would both address jurisdiction of wetland along with knowing the exact boundary of the wetland into residents' yards. This information is crucial to moving forward on what can be done, if anything, to remedy the flooding issue in this area of the creek. Once this preliminary step is completed, VLAWMO, and the concerned residents, will have a better idea on what the next steps could be. A feasibility study on this section of creek could be undertaken to determine possible options and costs that may keep the yards more dry.

The TEC and staff recommend to the Board that a delineation of backyards for wetland type and boundary, funded by affected homeowners be conducted (spring 2017 being the soonest timeframe, as the 2016 growing season is coming to a close). After delineation and acceptance by the Technical

Evaluation Panel (TEP), a feasibility study can be considered to explore options and projects that may improve flooding conditions in residents' backyards.

Comments: Prudhon asked if the area was ever considered a floodplain. Staff were unsure if has ever showed up on FEMA maps. Prudhon asked when the homes were built (answer is late 1980s) and if the builder can be responsible for any of this. Brian stated that in looking for FEMA maps with the City and could find none nor any 100 year elevation maps. Long asked who owns the land in the area. There is a strip of land on the back side of their yards which is owned by the City but otherwise it is privately owned. National Wetland Inventory maps indicated wetland within their backyards and we recommend the delineation to more accurately. Jones asked why this is issue our problem at all. Johannsen stated that this is part of County Ditch 14 and is therefore a VLAWMO resource and in the past, Counties would periodically dredge and clean out ditches but then the ditches were given to municipalities with no funding to continue that kind of work. Johannsen stated that it isn't VLAWMO's responsibility 100% but it may be part of our issue, along with municipalities and Jones asked about special assessment for the properties involved. Stephanie stated that benefitting properties and would be subject to assessment. Lindner stated that the ditches were first developed when land was agricultural and now the land isn't managed that way so an old system of moving water may not be working like it used to.

Jones stated that since the homes aren't flooding, it wouldn't be the builder's responsibility.

Johannsen stated that the ditches are an integral part of our watershed and is interconnected to larger systems and needs to be looked at from a higher level.

Johannsen stated that we should approve paying for the delineation.

Jeff (developer of the property) – he went before the board when the land was platted and the plans were approved. He said the problem is that the City used to come through every year and did clearing of the ditch but it hasn't been done for at least 5 years. He stated that the branches to the ditch (branch 5a and 5b) used to be open water but they aren't anymore. Rafferty asked where the debris is coming from. Jeff said it was mostly plant debris. Rafferty asked about lawn clippings. Jeff said yes that is put in the creek and that the neighbor next to him has a compost pile right along the water. He feels it is a water quality issue as well as a water quantity issue. Johannsen stated that the City is working on a plan to address these issues within the City. Johannsen stated that when there have been wet years, the City would get complaints from residents. Stephanie stated that just upstream from the area is where we did the Lambert Lake project in 2006. The focus of the project was flood control and water quality improvement. The project allows water to be held and then to sheet flow the water rather than into the existing ditch. The existing ditch was closed up and a new one created for the overflow.

Prudhon asked if we could fly a drone along the area to see if the water is moving. Brian stated that the water is moving well and has been consistently high all year versus fluctuation. Brian stated they have walked the area 3 times this year and they cannot find any blockages and he can't find anything in the creek bed that would need to be dredged.

Johannsen stated that doing the delineation is the next step we need to take before anything else can be considered.

It was moved by Rafferty and seconded by Jones to direct staff to contract a wetland delineation of the wetlands along Pennington Place at a cost not to exceed \$5000. Vote: all aye. Motion passed.

Gregory – in 1988 when we purchased his property, it was a drought and at that time he could see the bottom of the ditch which was several feet deep. He feels that it isn't as deep anymore so silt could be in there. Gregory also thanked Brian for coming out and taking the time to talk and he is encouraged by the discussion at the meeting tonight.

VI. Report from the Chair

Johannsen wished everyone a Happy Halloween and Thanksgiving.

VII. Administrator's Report

Stephanie will be requesting a Policy & Personnel Committee meeting soon to bring recommendations to the next Board meeting.

VIII. Director's Reports

IX. Next Regular Meeting – December 14, 2016

X. Public Comment

XI. Adjourn

A motion was made by Rafferty and seconded by Jones to adjourn at 8:31pm. Vote: all aye. Motion passed.

Minutes compiled and submitted by Kristine Jenson.