



MINUTES OF THE BOARD OF DIRECTORS

February 25, 2015

ATTENDING:

Bob Uzpen	Gem Lake
Rob Rafferty	Lino Lakes
Marty Long	North Oaks
Marc Johannsen	Vadnais Heights
Dan Jones	White Bear Lake
Ed Prudhon	White Bear Township

Stephanie McNamara	VLAWMO Administrator
Kristine Jenson	VLAWMO Program Manager
Brian Corcoran	VLAWMO Water Resources Manager
Vanessa Strong	VLAWMO Communications & Education Programs Manager

Also in attendance: Tom Peterson, TEC Representative; Kevin Knopik, Abdo Eick, & Meyer, LLP

I. Call to Order

The meeting was called to order at 7:05pm by Chair Johannsen.

II. Approval of Agenda

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

III. Introduction of new Board Members

Johannsen introduced Ed Prudhon as the new Board Member representing White Bear Township. He replaces Bill Mample who retired from public service. Marty Long from North Oaks was welcomed back as a Board Member.

IV. Approval of Minutes from December 10, 2014

A motion was made by Jones and seconded by Uzpen to approve the minutes from the December 10, 2014 Board of Directors Meeting. Vote: 5 ayes, 1 abstain (Prudhon). Motion passed.

V. Technical Commission (TEC) Report to the Board

A. Activity Summary

Peterson reviewed activities that have occurred since December's Board meeting. Items included:

- two cost share projects were approved already. There was a discussion at the TEC that many cost shares go to Vadnais Heights and North Oaks but not as many to the other communities and we'd like to come up with ways to spread the word more and get more projects in the ground in.
- awarding of a Conservation Corps of MN grant to have a crew for 5 days to work on the Deep Lake Channel project.
- The Sucker Lake Channel project has been postponed until 2016 so that the partners can bring more funding to cover costs.
- the TEC recommends approval for the e.coli monitoring project in 2015 and the Board will be considering that at tonight's meeting.

B. February financial report

Stephanie presented the February Financial Report.

VI. New Business

A. Election and Appointments

1. Election of Officers: Chair, Vice Chair & Secretary-Treasurer

The current Chair is Marc Johannsen, Vice Chair is Dan Jones and the Secretary-Treasurer position is vacant.

A motion was made by Rafferty and seconded by Jones to nominate Johannsen as Chair for 2015. Vote: all aye. Motion passed.

A motion was made by Rafferty and seconded by Johannsen to nominate Jones as Vice Chair for 2015. Vote: all aye. Motion passed.

A motion was made by Jones and seconded by Long to nominate Rafferty as Treasurer for 2015. Vote: all aye. Motion passed.

2. Confirmation of Paul Peterson as TEC Chair

Paul Peterson has again be recommended to continue as Chair of the Technical Commission. Under the VLAWMO JPA, it is the Board of Directors that must appoint the Chair of the TEC.

A motion was made by Johannsen and seconded by Rafferty to reappoint Paul Peterson as Chair of the Technical Commission for 2015. Vote: all aye. Motion passed.

3. Committee Assignments

VLAWMO has two committees that are in need of Board Member participation: Policy & Personnel and the Finance Committees. Currently Marc Johannsen serves on both, Dan Jones serves on Policy & Personnel. In the absence of a Treasurer, there is no second person on the Finance Committee.

Johannsen and Jones both offered to serve on the two committees

A motion was made by Jones and seconded by Long to nominate Johannsen and a motion was made by Johannsen and Rafferty to nominate Jones to the Policy & Personnel Committee. Vote: all aye. Motion passed.

A motion was made by Rafferty and seconded by Johannsen to nominate Jones and a motion was made by Johannsen and seconded by Jones to nominate Rafferty to the Finance Committee. Vote: all aye. Motion passed.

4. Designation of Legal Counsel, Legal Publication, and Auditor

VLAWMO currently uses the following:

a. Legal Counsel: Charles LeFevre of Kennedy & Graven Chartered

A motion was made by Jones and seconded by Rafferty to continue using Kennedy & Graven Chartered for legal counsel. Vote: all aye. Motion passed.

b. Legal Publication: Press Publications

A motion was made by Rafferty and seconded by Uzpen to continue using Press Publications as VLAWMO's legal publication. Vote: all aye. Motion passed.

c. Auditing Firm: Abdo, Eick, & Meyer, LLP

A motion was made by Uzpen and seconded by Jones to continue using Abdo, Eick, & Meyer, LLP as our auditing firm. Vote: all aye. Motion passed.

5. Setting of 2015 meeting dates

The Board agreed to continue meeting on the 4th Wednesday, every other month, beginning in February (except for December which has been on the 2nd Wednesday due to holidays). The dates for 2015 are: 2/25, 4/22, 6/24, 8/26, 10/28 and 12/9.

B. 2014 Audit Consideration, Kevin Knopik – Abdo, Eick & Meyer, LLP

Abdo, Eick & Meyer, LLP is under the first year of a two-year contract. This is the 7th year this firm has provided auditing services for VLAWMO. The 2014 Audit occurred in early February. Kevin Knopik presented the Management Letter for the audit. There was a finding regarding the segregation of duties, which has been a finding in the past but due to the small staff, it is difficult to have enough segregation of duties. Another finding (which has been noted in the past as well) was that the General Fund has a reserve of 66.2%. Generally it should be about 30-40%. VLAWMO has typically had reserves around 70% so that could be brought down. Funding for projects should be considered so that the reserves are more within typical ranges.

A motion was made by Rafferty and seconded by Jones to accept the 2014 Audit Report. Vote: all aye. Motion passed.

C. Consideration of contract with Burns & McDonnell for the second year of molecular E. coli testing

A proposal has been received from Burns & McDonnell to continue to assist staff with an E.coli monitoring study in 2015. The total for their proposal is **up to** \$27,000 and it is within budget. The continued goal of this project is to identify sources of indicator bacteria in the Lambert Creek Watershed which can be used to develop and implement BMPs to meet the requirements of the bacteria TMDL. We will be concentrating on the Whitaker and Goose sub-drainages along with continued monitoring at Oakmede and Cty Rd F.

The monitoring will be very similar to last year except that we will have more monitoring sites, especially in the Whitaker drainage. Funds for items #2- #5 were anticipated in the 2015 budget.

2015 E. coli source monitoring components

#	Component	Estimated Cost	Budget source
1	Burns & McDonnell: Plan, lab analysis, report, present	\$27,000	6.4.6
2	Materials: SPRWS lab kits, bottles, shipping, etc.	\$3,000	6.3.8.3
3	Ramsey County lab: filtration & shipping to CA	\$750	6.3.8.3
4	Ground water wells (carried over from 2014)	\$6,200	6.3.8.3
5	Staff time: VLAWMO; SPRWS; Ramsey Co.		6.1.2

Staff and the TEC recommend that the VLAWMO Board approve the contract with Burns & McDonnell to provide continued assistance with the 2015 E. coli monitoring, analysis and reporting. The recommended funding source would be from 6.4.6, Impaired Waters Implementation.

Discussion: Prudhon asked if this was a state mandated study. Brian explained that the creek is on the State’s Impaired Waters List for bacteria and so we are taking the steps to determine sources so we can be more effective. Stephanie said we are cutting edge in the state right now with this study because while bacteria impairments have been found in rural areas, we are the first in an urban setting to be tackling the issue. The sources and projects to fix bacteria issues are different in a rural setting than in an urban one.

Long asked what we have learned so far based on 2014’s studies. Brian stated that for the 2 sites that were studied last year, the sources of bacteria have been avian. Long asked if we would be coming back each year for more studies. Brian stated that we are tackling a portion this year and would look at other things in future years.

A motion was made by Uzpen and seconded by Long to approve up to \$27,000 for a contract with Burns & McDonnell to continue with the monitoring and assistance of the 2015 E.coli Source Monitoring project in the Whitaker and Goose Lake sub-drainage areas. Vote: all aye

D. Consideration of Grant Policy update for Landscape Level 2 and Community Blue Education Grants.

Johannsen stated that the policy updates up for approval tonight have been discussed at the Policy & Personnel Committee three times so what is being proposed has been researched and refined over a number of months.

The cost share programs have been evolving to better meet the needs of property owners and fulfill the goals of VLAWMO. Last year, the Landscape Level 1 program was changed to allow a 75% reimbursement, up to \$2000 which has had a very positive response from the public. The Community Blue grant was originally created, in part, to provide an opportunity for organizations that wouldn’t necessarily have the funds available to put in water quality improvement project (BMP). Those projects also included education and outreach requirements. After our original Community Blue grant from the State was complete, the program was transformed to provide mainly educational grants to people and

organizations. With all that we have learned about our various grant programs, and to better meet our goals and objectives, it is now time to review and possibly update the Landscape Level 2 grant.

The current Level 2 grant was created to provide an opportunity for people to apply for a bigger type of installation project. We also wanted the funding to be for projects that were highly visible so it could aid in educating the public about different water quality improvement projects. The past rules for the Level 2 grant included the following which we would like to propose amending:

- Total project costs had to be at least \$10,000.
- A 50% match was required.
- The maximum grant amount was determined annually by a somewhat confusing method. It could not be more than 25% of the total annual budget for line item 6.4.9.

Proposed Changes for Landscape Level 2 Grants

- reduce the total project cost to \$5,000 minimum.
- adjust the program to have a 75% match (like the Level 1 program) and to allow that 25% match to be met via cash match and/or via volunteer service towards the installation of the project and/or by attending VLAWMO's workshops.
- keep the maximum amount a person applies for open so that we have more discretion over how much we can give towards a project.

New Community Blue (Education) grant

This grant program would target projects or programs that have a strong educational or community stewardship component. The purpose of Community Blue is an education & outreach based grant program that supports community service initiatives, and citizen engagement efforts to promote stewardship and behavior change in watershed protection. See the Grant comparison program table below or the Policy Language for more details.

A table detailing the differences between the grant programs was provided as well as the official policy language with the proposed changes.

Discussion: Prudhon asked about how people apply for the grants. Kristine explained the process.

A motion was made by Rafferty and seconded by Jones to approve the changes to the Landscape Level 2 program and to establish the new Community Blue grant program. Vote: all aye. Motion passed.

E. Review of new draft Annual Report format

VLAWMO, like all the other water organizations, must submit an Annual Report to BWSR with a list of required information. To make the Report more useful to VLAWMO, more engaging to the public, to our partners and generally attractive has been an important component of the marketing effort.

Vanessa showed the rough draft of the Annual Report. This will be the main report that will go to our required distribution. There will be a second, probably single page piece that will be developed for handing out at community events, etc.

Discussion: Johannsen stated he likes the overall format. However, he feels like the font should be consistent and only one should be used, rather than the 4 he sees in the draft of the report. Jones stated that using 3 or 4 fonts is normal now but he thinks 2 fonts would be good. Johannsen stated that it has a lot of acronyms and had a lot of jargon. He wanted to remind us to write it for general public to read it. It was suggested that there should be an acronym page. Jones stated that visually it looks great but stick to 2 fonts and make sure that it is clear to see everything when printed. Jones stated it looks like it was money well-spent to do it. Long asked how hard will it be to update it every year. Vanessa stated that once the template is set, it will be easy to put in the pieces each year. It is hard this year because we are setting up the template right now. Jones also stated that people will generally take the time to look at the first few pages so items like the list of the Board, TEC, etc. should be at the back of the report and move other things closer to the beginning.

F. Discussion of impact to VLAWMO main chain of lakes by NE Metro Water Supply Report

Stephanie produced a memo with the background about this issue. It has been discussed at the VLAWMO TEC, the Policy and Personnel Committee and at the respective communities within VLAWMO. The St. Paul Regional Water Service pumps water from the Mississippi River through a chain of lakes in VLAWMO: Charley – Pleasant – Sucker – Vadnais. The intake for the river water is in Fridley where there is a fish barrier and an iron feed (to precipitate some nutrients such as phosphorus) and it piped to Charley Lake in North Oaks. Deep Lake & Wilkinson Lake are also connected to the chain and have documented impacts from the river water that is pumped through the chain as well. The case could easily be made that this main chain of hydrologically modified lakes in VLAWMO is a regional resource. With the discussion about possibly pumping a lot more water into the chain, there are concerns that VLAWMO should discuss. The full Met Council report summary may be found at the Metropolitan Council Website: [NE Metro Water Supply Feasibility Report](#). While all the Board members have municipal responsibilities as well, there are significant ramifications for the watershed of the different water supply options under consideration.

The Board's Policy & Personnel Committee and the TEC have asked that the following discussion questions and background be forwarded to the Board for discussion.

Some observations and questions for Board consideration:

- Approaches #1 & #2 either increase the service area of SPRWS or add a treatment plant in this area. Both would draw anywhere from 20 – 60 million gallons per day of additional water through the main chain (Charlie-Pleasant-Sucker-Vadnais) of lakes.
- What impact would this additional volume of water have on the chain of lakes? The study addresses the treatment plant(s) capacity and that of the Fridley intake. Other than quantifying the storage of the chain of lakes, it does not appear to consider impact on the lakes and the channels.
- Does additional water pumped through the lakes increase the chance of new AIS infestations or other adverse impacts? Zebra mussels and channel catfish are already in the chain. Are bighead or silver carp, rusty crayfish, or invasive snail species next? Are there things that could protect the main chain?
- Should maintenance of the main chain be considered as part of the discussion? The Charlie Lake channel has had maintenance work done to stabilize the channel mouth. VLAWMO has both Sucker channel and Deep Lake channel slated for restoration work. What future maintenance work might be needed and who should pay for it?
- Is Charley Lake the 'forbay' of the chain; does it need maintenance now, and will it need it even more in the future? When higher velocity flows, such as through the water utility Charlie Lake conduit first hit slower water, such as a lake, precipitation of suspended sediment often happens. The Met Council report references settling as one of the functions taking place in the chain.
- Should VLAWMO develop a position and distribute it to the other Stakeholders?
- Approach 2 sites a new NE Water Treatment Plant near Vadnais Lake. This is an area that has been historically **highly protected from development**.
- Can this be done without compromising long term water quality in Vadnais Lake?
- If this is determined to be a viable option, are there safeguards that are critical to protecting the reservoir system?
- Should VLAWMO recommend or insist on an assessment to the main chain? Who should pay for that?
- Is the augmentation pipe to White Bear Lake something VLAWMO would want to have a position on? It would be a very large pipe that would send water from one watershed (VLAWMO) to another (Rice Creek WD).

This is definitely not fine-tuned. Possible position elements/statements:

VLAWMO is charged with the protection and restoration of the water resources within its borders. As such, the VLAWMO Board of Directors would like to offer the following comments regarding the NE Metro Water Supply Feasibility Report.

The main chain of lakes that feed the reservoir Lake Vadnais has shown signs of wear and tear along several of the lake and connecting channels: Charlie, Pleasant, Deep, Sucker and Vadnais Lakes. Projects have been installed by VLAWMO and several other local partners to repair erosion and restore natural shores, channel banks, improve water quality and allow local use of these resources. More projects are planned. VLAWMO is very aware of both the need for a sustainable water supply for the NE Metro area and the need to maintain local water resources.

Possible position statements for discussion purposes only:

- Any proposed increase in the current rate of pumping of river water through the main chain of lakes in VLAWMO should be assessed for impact to the local resources. This may include hydraulic assessments, a full survey of all shorelines with identification of current restoration needs, documentation of aquatic invasive species consistent with river populations (zebra mussels, etc.)
- Maintenance needs driven by the flow of river water through the system should be identified along with costs.
- Mitigation options of the negative impacts resulting from the river flow through the main chain such as shoreline and channel erosion, sedimentation build up, lack of AIS management should be included in the assessment.
- Funding for this assessment should be considered part of the development costs and the results made available to all stakeholders.

VLAWMO would also note that any potential augmentation of White Bear Lake from Vadnais Lake or attendant channels would cross watershed lines and could have significant environmental impacts.

Discussion: Johannsen stated that this is a topic we need to discuss at every Board meeting. Staff needs to look at what impacts do we foresee coming. Long stressed that this water coming through is not North Oaks' water and it's not VLAWMO's water. He feels the SPRWS "owns" the water. Johannsen stated that we need a clear vision of what the impacts will be and then talk to SPRWS to discuss how to manage these issues. Jones suggested that we should put a moratorium on projects within the chain. Stephanie stated that the 10 Year Water Plan will be written over the course of the next year and our Joint Powers Agreement will be renewed as well. Prior to 2007, SPRWS was one of the partners in the JPA and had a member on the Board. That may be something we could consider again if we want them being a part of the decisions at VLAWMO. If we wanted to include them in the JPA again, changes would have be made.

Jones would like us to send a message that makes it clear that we are concerned about the effect of pumping more water through the chain.

Johannsen said there are a lot of unanswered questions and concerns.

VII. Report from the Chair

Johannsen stated he looks forward to working with everyone in 2015.

VIII. Administrator's Report

Stephanie informed the Board that she will be visiting family next week and will be out of town until March 9.

IX. Director's Report

X. Next Meeting – April 22, 2015

XI. Public Comment

XII. Adjourn

A motion was made by Rafferty and seconded by Jones to adjourn at 8:21pm. Vote: all aye. Motion passed.

Minutes compiled and submitted by Kristine Jenson.