

Middle St. Croix Watershed Management Organization
Washington Conservation District
May 12th, 2011

Present: Nancy Anderson, St. Mary's Point; David Beaudet, Oak Park Heights; Susan St. Ores, Bayport; Mike Polehna, Stillwater; Brian Zeller, Lakeland; Randy Nelson, Afton; Daniel Kylo, West Lakeland Township; Robert Kroening (Alternate), Baytown Township; Cindie Reiter, Lake St. Croix Beach; and Amy Carolan, Administrator

Call to Order

The meeting was called to order at 7:00 p.m.

Approval of Minutes

Mr. Fredkove, seconded by Mr. Beaudet, moved to approve the April minutes. The motion was carried. In the future, only the minutes needing approval will be included in the packet.

Treasurer's Report

Mr. Kylo presented the treasurer's report, for May 12th, 2011. He reported that the remaining checking account balance was \$86,867.80. Mr. Kylo reported that the ending balance in the RBC savings account is \$84,005.18. The ending 4M balance was \$31,974.81. Mr. Kylo reported that there were two bills to be approved this month. One for Washington Conservation District in the amount of \$7,881.94, and one for the League of Minnesota Cities in the amount of \$2,328.00.

Mr. Nelson, seconded by Mr. Pohlena, made a motion to pay the bills presented. The motion was carried.

Public Comments

None.

Presentation – Washington County Conservation Plan Priority Areas – Jay Riggs

Mr. Riggs of the Washington Conservation District gave a presentation on the County's recently completed Conservation Plan. A full written report can be accessed at http://www.co.washington.mn.us/_asset/sy7hrv/ADM-Conserv-Plan-FINAL-book-blkpg71410.pdf.

Old Business

Bayport Storm Sewer Project Update - Remaining Funds Discussion

Mr. Zeller presented a piece of proposed legislation, which stated that, any funds remaining after the completion of the Bayport Storm Sewer Project may be used for a grant to the city of Oak Park Heights to design and construct a pedestrian tunnel under County-State-Aid Highway 24 (Osgood Avenue) from Valley View Park. Mr. Zeller stated that he found the proposed language alarming, as he did not feel the members of

the MSCWMO board were aware of the language being proposed at the legislature. Mr. Zeller felt the issue should be brought to the board's attention and be discussed.

Mr. Zeller provided background information by stating that the MSCWMO board had received a \$1,550,000 grant to complete a sewer system extension in the City of Bayport along Perro Creek. He then stated that the project has been completed in late 2010 and that the project had come in under budget. Mr. Zeller stated that he had received phone calls asking if he knew anything about the proposed language regarding the building of a pedestrian tunnel in Oak Park Heights using the remaining project funds. Ms. St. Ores also stated that she had received phone calls regarding the proposed language. Ms. St. Ores knew about the storm sewer project and knew their were remaining funds, but did not know about the proposed idea to use the remaining funds for the pedestrian tunnel. She also noted that at the time of the phone calls she did not have a clear understanding about how bonds worked, but she now understood that any community could have applied for the remaining funds at any time. Ms. St. Ores stated that in this case, it seemed the WMO should have been told about Oak Park Heights requesting the remaining funds, she asked if the board had had that discussion before she was appointed to the board in January. The board had not had that discussion previously.

As administrator of the project in Bayport, Mr. Beaudet gave a brief history about the Storm Sewer Project and the communities involved in the project. Mr. Beaudet stated that at the January meeting, he gave an update on the project and made two major points. One that the project was done and two that their was a surplus of funds because the project had come in under budget. Mr. Beaudet also reminded Mr. Zeller that he had missed the January 2011 meeting. Mr. Beaudet reminded the board that once the project was complete, any remaining funds would go back to the State of Minnesota and were no longer available to the MSCWMO. Mr. Beaudet knew there were funds remaining, so as Mayor of Oak Park Heights, he suggested to his council applying for the funds to be used to build a tunnel under Osgood Ave. Mr. Beaudet stated that the tunnel was proposed in Washington County's Comprehensive plan. In 2009 the County and the City and with support from the DNR went for a TIGER grant to complete the project. At the time they had asked for \$400,000. Local legislatures knew about and supported the project. Senator Ted Lillie was the sponsor of the legislation, and was aware of the plan. Mr. Beaudet stated that Mr. Fredkove (Baytown Township) was also aware of the project. Mr. Beaudet also said it would have been difficult for the WMO to come up with a new project so quickly as the WMO does not have a comprehensive plan. Mr. Beaudet stated that to his knowledge no other community had a project in their CIP that was set to go and could use the remaining funds. Mr. Zeller thought that was a discussion that the WMO should have had together. Mr. Polehna stated that the board should have had a discussion about where the remaining funds should go, rather than Oak Park Heights requesting the funds without first talking to the WMO board. Mr. Polehna thought that the board should have worked together and that a project within the watershed could have been developed, a project relating to water quality. Mr. Polehna stated that the saw the WMO as a team that worked together, and that Oak Park Heights should have checked with the other members before requesting the remaining funds. Mr. Beaudet told the board that the WMO did not have the authority to decide where the remaining funds went. The funds were specified for one project only, the WMO would have also had to go through special legislation to request the remaining funds, they would not have just

gotten the funds handed to them. Mr. Beaudet stated that the WMO would have needed to have a project ready to go that could have been completed by the end of the year. Mr. Zeller stated that if the City of Oak Park Heights could go through the legislature to get the additional funding, that the WMO could have just as easily done so. Mr. Zeller stated that he believed Mr. Beaudet had a conflict of interest when requesting the remaining funds. Mr. Beaudet did not agree, he had told all of the board members that there were remaining funds in January; just under \$400,000 was remaining. Mr. Zeller stated that he read in the minutes that there were remaining funds, but did not recall a discussion on what the WMO should lobby to do with the additional funds, he stated that that discussion did not take place. Mr. Nelson stated that he felt Mr. Beaudet wore both hats when he requested the additional funds for Oak Park Heights, he believed Mr. Beaudet had served as chairmen of the MSCWMO when handling the storm sewer project, but switched to Oak Park Heights Mayor as soon as he knew the funds were available. Mr. Nelson also believed there was a conflict of interest.

Ms. Reiter stated that the remaining funds had a short timeline, so even if the money had come back to the WMO, the group wouldn't have had enough time to develop a project.

Mr. Nelson stated that in typical projects, the WMO tracked the dollar amount start to finish, and if there were remaining funds the board discussed how they would be used, one example of this was the Afton Lakeland Gully project. Mr. Nelson did not feel that that kind of discussion occurred on this project. Ms. St. Ores stated that there should have been a discussion about the remaining funds in October, since the board already knew there would most likely be a surplus of funds. Mr. Zeller stated that he would have liked to have had a heads up that Mr. Beaudet was trying to sweep the remaining project funds towards a project that would benefit Oak Park Heights. Mr. Beaudet said that since the bill had been stopped, he would try to track where that money ended up because it has gone back to the State. Mr. Zeller stated that due to the budget deficit, he would rather see the extra funds go back to the state. Mr. Zeller felt that Mr. Beaudet's actions discredited the MSCWMO as an organization. Mr. Beaudet did not agree. Mr. Nelson agreed with Mr. Zeller. Mr. Nelson stated that he had joined the WMO board with the idea that the WMO could do things cheaper, smarter and more efficiently than if the organization was run by the County or another large entity. Mr. Nelson thought that what had happened made the WMO look bad as an organization.

Mr. Beaudet reminded the board, that due to good project administration, the project came in under budget. Mr. Beaudet again reminded the group that he had announced that there was money left over. This gives anyone a fresh fair shot at the money. He announced that there were funds available; any one of the board members could have lobbied for the funds for their own community. Mr. Zeller thought the board should have lobbied together to get the funds to use as a board in the WMO, or just given the money back. Mr. Beaudet responded, that that is what is now happening – the money has gone back to the state. Mr. Polehna said there is bad public perception, that Oak Park Heights is building a pedestrian tunnel with the MSCWMOs grant funds, even if that's not the case. Mr. Polehna said it makes the organization look dysfunctional, like we aren't working together. Ms. St Ores added that in the spirit of cooperation, the group needs to be more in sync when things like this occur in the future. She believed what occurred just looked opportunistic. Mr. Beaudet said the bill was written in March and

that both Kathy Lohmer and Ted Lillie had signed on in support, the information was public. Mr. Beaudet reminded the group, that he did not believe the WMO would have had time to develop a whole new project because the remaining funds disappear at the end of 2011. Mr. Zeller reminded Mr. Beaudet that he was upset because there was never a discussion about the funds. The board was not aware that Oak Park Heights was lobbying for the remaining funds. Mr. Polehna stated that he believed that the WMO as a group could have come up with a project that could have used the remaining funds and the WMO could have lobbied for the funds as a group. Ms. St. Ores said Mr. Beaudet did not have a legal obligation to tell the board about Oak Park Heights lobbying for the funds, but if Mr. Beaudet had been meeting with Kathy Lohmer and Ted Lillie since February, he could have mentioned it to the board at a past board meeting. Mr. Kylo said there is a level of trust that the board has and instead of announcing it to the board that there was extra money and that it would be returning to the State, Mr. Beaudet was already planning on how to use it for his own communities gain. Mr. Kylo said Mr. Beaudet seized the opportunity and took the rest of the board out of the loop; it causes distrust among the members. Mr. Kylo said Mr. Beaudet did announce that there were extra funds, but he did not mention that Oak Park Heights would be lobbying for the funds. Mr. Kylo thought it looked bad. Mr. Beaudet said the tunnel project is in the County's Comprehensive Plan, he recommended that the board look at it. Mr. Zeller again stated that he thought Mr. Beaudet had a conflict of interest. Mr. Nelson agreed. Mr. Beaudet said he did not have a conflict of interest. Mr. Zeller thought if Mr. Beaudet didn't understand, there needed to be further future discussion. Ms. Reiter thought part of the problem was general lack of understanding in how the bonding process works. Ms. Reiter believed if she had been the one administering the project, she would have considered lobbying for the money to install riprap in Lake St. Croix Beach, because she knows how the process works. She wouldn't have wanted the money to go back to the State and disappear.

Ms. St. Ores stated the WMO needed more communication on these types of events in the future, even if it felt excessive. Mr. Polehna agreed, he wants the board members to watch out for one another. Mr. Zeller stated all he wanted to do was discuss the issue.

BWSR Performance Review and Assessment Program

Administrator Carolan provided the board with information on the upcoming BWSR Performance Review and Assessment of the MSCWMO. She explained that Part I and Part II of the assessment would be completed administratively and did not require approval by the board. Part III of the assessment would be a discussion section held at the June board meeting. Melissa Lewis, from BWSR will be attending the meeting to observe the discussion. A list of the discussion questions was provided in the packet. Chairmen Beaudet will lead the discussion in June.

Afton-Lakeland Gully Final Inspection

Administrator Carolan provided an update on the Afton-Lakeland Gully Project. She stated that the warranty period had come to an end and Veit was ready to close out the project. Ms. Carolan had a meeting on-site with Veit and Wenck to review the

project. The only remaining issue was the high mortality of the live stakes in the project area. 1,500 live stakes had been planted in the gully and very few survived the two-year period. Administrator Carolan did not feel it would be successful to replant the live stakes, but rather the group should consider asking Veit and their subcontractor Minnesota Native Landscapes for additional stabilization work at the bottom of the gully in exchange for the live stakes. Mr. Polehna, seconded by Ms. Reiter moved to have Administrator Carolan work with MNL to complete additional stabilization work at the base of the gully in exchange for the loss of the live stakes. Motion carried.

Lily Lake Stormwater Retrofit Project – Update

Administrator Carolan updated the board on the status of the Lily Lake Project. Ms. Carolan and Pete Young, P.E. from the Washington Conservation District reviewed potential raingarden locations in the project area based on which landowners agreed to participate in the program. They narrowed the number of project sites down from 40 to 22. Ms. Carolan would be sending a map of the priority parcels to the City of Stillwater for their review. Once the City had a chance to comment, Ms. Carolan would notify the residents who had been selected for a raingarden.

New Business

Cost-Share Project Applications

Evans- Mr. Zeller, seconded by Mr. Nelson moved to provide \$1,000.00 or 50% of the project cost, whichever is less in cost share for the Lars Evans water quality improvement project. Motion carried

Clark – Mr Nelson, seconded by Mr. Zeller moved to provide \$250.00 for the Tom Clark permeable driveway project. Motion carried.

Fallins – Ms. Reiter, seconded by Ms. St. Ores moved to provide \$775.21 or 50% of the total project cost for the Fallin project in Stillwater. Motion carried.

Annual St. Croix Boat Tour Contribution

The Minnesota DNR would again be sponsoring a boat tour on the St. Croix in June for elected officials. The DNR had asked if the WMO would again provide \$500.00 to help in paying for the boat rental. The WMO had helped fund the tour for the last two years. Ms. Anderson seconded by Mr. Beaudet moved to provide \$500.00 for the boat rental for the St. Croix Tour for elected officials. Motion carried.

Plan Reviews and Submittals

City of Stillwater Street Improvement Project – staff reviewed the City of Stillwater’s 2011 Street Improvement Plan Submittal. The plan proposed street improvements to Amundson Drive and Fischer Court, Towne Circle, McKusick Lane Rd.North, Wilkins St., Center St., Oak St, and Linden St. in MSCWMO. Ms. Carolan stated that the City had met all of the policies and performance standards set in Section 5 of the Watershed Management Plan and recommended the staff report stating so be approved by the board. Mr. Zeller, seconded by Mr. Beaudet moved to approve the staff report regarding the Stillwater Streets project. Motion carried.

Administrator's Report

Administrator Carolan provided a written report.

Other Agenda Items

None.

Adjourn

Mr. Kylo seconded by Mr. Pohlana moved to adjourn the meeting at 8:46PM.
Motion carried.