

**Carnelian-Marine-St. Croix Watershed District
Regular Meeting December 6, 2010**

Managers Present: Steve Kronmiller, John Lennes, Thomas Polasik, Kristin Tuenge, Jason Husveth and Victoria Dupre.

Managers Absent: Richard Caldecott.

Others Present: Jim Shaver (Administrator), Carl Almer (EOR), Ray Marshall (Legal), Dick Arndt (BGT Mining), Jay Riggs (WCD), and Debbie Meister (MMC).

Manager Kronmiller called the meeting to order at 6:40 p.m.

1. Approve December Agenda

Administrator Shaver requested adding item 9e. Banking Resolution.

Manager Lennes moved to approve the December 6, 2010 as amended. Second by Manager Polasik. Motion carried 4-0.

2. Approve Minutes

a. Approve November 1, 2010 Minutes

Manager Husveth requested one clarification on item 5b.

Manager Polasik moved to approve the November 1, 2010 minutes as amended. Second by Manager Lennes. Motion carried 5-0.

b. Revision to October Minutes

Administrator Shaver requested that item 6b be amended to indicate the letter was sent to Mr. Marshall.

Manager Polasik moved to amend the October 4, 2010 minutes. Second by Manager Lennes. Motion carried 6-0.

3. Treasurer's Report

Administrator Shaver highlighted several items and Manager Tuenge presented the full report. **Manager Tuenge moved to approve the Treasurer's Report. Second by Manager Husveth. Motion carried 6-0.**

4. Bills to be Paid

Manager Tuenge moved to approve the bills to be paid as presented. Second by Manager Polasik. Motion carried 6-0.

5. Public Comments

a. Mr. Nick Arndt, BTG Mining

Administrator Shaver reported that in 2008 the District received a permit application and \$2,000 fee for BGT I and BGT II. After review, a letter was sent requesting more information. This summer Mr. Arndt asked to talk to the Board about the permit and concerns associated with it.

Mr. Arndt stated that two families own the mines, which have been operating since 1969. He anticipates mining BGT II for 50 more years. Based on May Township's preference, BGT has designated the area for residential redevelopment once mining is completed, but feels in 40 to 50 years commercial redevelopment or other uses such as a golf course might be better options. In 2008, BGT worked with the DNR to delineate wetlands and agreed to provide access for a DNR trail system. Over the years, BGT has accommodated other government requests for changes in access roads. Each year BGT provides a walk-through for May Township and Washington County to update them on current mining operations and restoration plans and would like to add the District to the tour, as well as to the performance bond, insurance and taxation updates. BGT is regulated by the Township and County, as well as, by the MPCA for groundwater (no contaminations has been found in the wells), MnDOT for off-site crushing operations and NRCS for on-site farming operations (runoff has not been a problem since a road was relocated and a berm was added). BGT questioned needing a District permit because BGT developed plans and operations were permitted before the District was formed, providing drainage information takes time and is costly and a District permit might limit mining operations.

The Managers clarified that there are five other mining operations in the District that were operating before the District was formed that now have or are obtaining District permits. The District's new rules—which need to be followed—are intended to better preserve the area's water resources. Manager Kronmiller noted that BGT's current mining plan is significantly different than the plan submitted in 2008. Manager Lennes noted that the state's legislative auditor is reviewing permitting layers with the intent to streamline the process and requirements.

Mr. Arndt agreed to submit updated plans with a target date of the end of February and provide hydrology calculations after completing a computer modeling class in January. Administrator Shaver agreed to send the District rules to Mr. Arndt.

6. Permits Status Update, Permits / Violations

Mr. Almer presented the new update format.

- *Permit 08-008 Gruber Home:* Manager Kronmiller reported that a neighbor plans to hold the District responsible if there are violations on this property. Managers agreed that the District must be diligent on inspections and enforcement if there are violations. Administrator Shaver reported that he, Pete Young (WCD) and Dennis O'Donnell (County) have been making inspections and working on erosion issues. Following a letter from the District, Mr. Gruber addressed the exposed soils. Overall the District, County and LGUs are trying to work more closely on permitting. Managers Lennes and Tuenge stated that they would like clarification on which government entity takes action if there is a violation.
- *Permit 07-010 Matt Property:* Administrator Shaver reported that he and Jyneen Thatcher (WCD) inspected the property and, because this phase looks complete, recommends taking this off the permit list. The Managers agreed.
- *Permit 06-019 Tii Gavo:* Administrator Shaver reported he will review the WCA permit and work with legal counsel to resolve permit issues.

- *Permit 03-044 Big Marine Store*: Administrator Shaver reported that he will work to inspect regrading issues. In the future reviewing as-built drawings should be included in the permit fee.
- *Review and Permits 2000-2005*. Mr. Almer reported that he will meet with Administrator Shaver to discuss recommendations for closing out reviews and permits and outline future actions for Board approval. He and Administrator Shaver will also review mining permits to ensure consistency.
- *Permit 10-003 Raleigh Mining*. **Manager Tuenge moved to authorize the Administrator to issue the permit upon completion of remaining issues. Second by Manager Lennes. Motion carried 6-0.**

7. Project Status Update

Mr. Almer provided updates on the following:

- *Sand and Long Lakes*. Mapping of BMPs and quantification of benefits were completed. Monitoring is based on the internal lake simulation (bathtub) modeling. The end goal is to understand loading and then work with stakeholders to prioritize projects that will reduce the load and improve water quality. Mr. Almer anticipates bringing projects for review in February. Manager Husveth suggested budgeting for overviews and updates on future projects to help the Board better understand and comment on complex projects.
- *Square Lake Clean Water Partnership*. Once data is available a complete lake and tributary water quality analysis will be completed.
- *Phase III TMDL*—Boundary updates and modeling were completed for Mud and Goose Lakes. The next phase is to develop draft TMDL allocations for each lake, which will be presented to the board possibly in January or February. Manager Husveth requested that the board receive a presentation on the basics of TMDLs, which WCD can provide.
- *Rules*. Mr. Almer provided Administrator Shaver a demonstration on GIS layer access through Google Earth. Meetings with city staff and officials on District rules and permit triggers and the coordination process will be scheduled (see item 10). Managers Polasik and Tuenge suggested providing GIS-google training for interested managers. Manager Tuenge also suggested providing to LGU councils an information session about the District and how the District and LGUs can work together. Manager Kronmiller suggested inviting the councils and all stakeholders to a TMDL presentation.
- *Monitoring*. Administrator Shaver stated that it is probably premature to anticipate a volunteer monitoring program next year, but rather recommended developing a program and recruiting volunteers in 2011.

8. Cost Share Program

There was no report.

9. Washington Conservation District--Jay Riggs

a. TMDL Implementation Plan

Mr. Riggs reported that the MPCA has funds to complete implementation plans and invited the WCD and District to partner on this. An implementation plan is prepared at some point following the development of the TMDL Report and approval by the EPA. TMDL reports are pollutant specific and represent the maximum amount of pollutant that a water body can receive without exceeding water quality standards. Implementation

plans address overall load reductions. If funds are allocated, the WCD/District will have one year after the TMDL Report is approved to complete the implementation plans. If the TMDL report is non controversial, the approval process is relatively fast. The District can also apply for funds to implement projects. Projects completed now can still be applied toward TMDL load reductions. It was also noted that constitutional amendment funds are not dependent on having an approved TMDL report.

Manager Dupre moved to authorize Administrator Shaver and Mr. Riggs to submit a cost estimate to the MPCA for funding TMDL implementation plans. Second by Manager Husveth. Motion carried 6-0.

b. WCD Revised Proposal—Board Action Required

Ray Marshall reported that the overall agreement is consistent with past contracts, but that Exhibits A and B have been changed. Administrator Shaver summarized the changes. **Manager Lennes moved to approve and sign the contract with the WCD. Second Manager Polasik. Motion carried 6-0.**

10. New Business

a. Authorization for Monthly EFT of Federal Taxes—Board Action Required

Manager Husveth moved to authorize accountant Dave McCord to set up and file monthly electronic fund transfers of federal taxes. Second by Manager Lennes. Motion carried 6-0.

b. Authorization of PERA Increase for 2011—Board Action Required

Manager Tuenge moved to authorize the increased payment to the Public Employee Retirement Account. Second by Manger Dupre. Motion carried 6-0.

d. Lease Changes

Administrator Shaver reported that the lease does not need to be finalized until March. Manager Husveth stated that paying prorated taxes based on square footage is standard for commercial retail leases, but paying a portion of the heat and utilities is of concern. Mr. Marshall stated that increasing the damage deposit is not unreasonable especially based on the number of years the District has been a tenant. Administrator Shaver will look into these issues.

e. Banking Resolution

Manager Dupre moved to authorize Resolution 120610 Treasurer Tuenge and deleting former manager Bower as signatories to the bank accounts. Second by Manager Lennes. Motion carried 6-0.

11. Old/Other Business-

a. Hugo Grant Participation—Board Action Required

Based on questions raised at last month's meeting, Manager Husveth summarized his conversation with Bryan Bear of Hugo. Because of unique natural resources in eastern Hugo, the City would like to exempt certain areas from sewer expansion. The DNR contributed 75 percent of the cost of a \$38,000 natural resources study. The area

watershed districts have been asked to provide the rest of the study funding. The City would like a copy of the District's NRI sent to its engineering contractor. **Manager Husveth moved to contribute \$500 to the study. Second by Manager Polasik.**

Discussion raising the following concerns: LGUs should pay for their own planning, Hugo's Comprehensive Plan—which plans through 2020—was adopted in 2009, the Met Council's infrastructure can accommodate current cities, there is no urgency for this study and helping to fund this study could set a bad precedent.

Following this discussion, Manager Dupre moved to table the above motion pending more information. Second by Manager Lennes. Motion carried 6-0.

b. Authorization to Finalize Budget/Levy—Board Action Required

After discussion about the fund carryover and the option to reduce the levy, **Manager Tuenge moved to approve the levy as adopted on September 13, 2010. Second by Manager Polasik. Motion carried 6-0.**

Administrator Shaver and Manager Kronmiller agreed to write a press release on the District's 10 percent levy reduction.

c. Washington County Septic Grant

The Managers expressed concern about the proposed program including the timeline for fixing a leaking system, the potential cost to a homeowner and its application only to impaired lakes. It was noted that the County has a disclosure requirement for septic systems when selling a house and has the responsibility to enforce septic systems.

Manager Dupre moved not to endorse this brochure. Second by Manager Polasik. Motion carried 6-0.

10. Administrator's Report

Administrator Shaver reported the following:

- MAWD meeting was informative. Managers Tuenge, Lennes and Dupre also attended. Issues covered included anticipated political efforts to change watershed management in the state and advice to start educating legislators about what watershed districts do, aquatic and invasive species, an alternative to the TMDL process, new manager training, partnerships, financial procedures, resolutions and the project of the year—rain barrel painting, which Manager Dupre suggested as a project for Watershed Wisdom.
- St. Croix Basin Team strategy meeting on December 9.
- Proposed meetings dates will be e-mailed to the Managers for the aquatic vegetation seminar, the permitting seminar for LGUs and educating city staff and elected officials on District rules, permit triggers and the coordination process.
- There is a technical problem with the web site, which is being worked on.
- A challenge to Managers to recruit/nurture future board members.

11. Next Meeting, Adjourn

The next board meeting will be held on Monday, January 4, 2010.

Manager Polasik moved to adjourn. Second by Manager. Motion carried 6-0. The meeting was adjourned at 10:15 p.m.

Submitted by
Debbie Meister, MMC Associates, LLP