

**MINUTES OF THE BOARD OF DIRECTORS**  
OF THE  
VADNAIS LAKE AREA WATER MANAGEMENT ORGANIZATION  
VLAWMO

800 East County Road E, Vadnais Heights, MN 55127; 651.204-6070; office@vlawmo.org

February 13, 2008

**ATTENDING:**

Hutch Schilling	Gem Lake
George Rux, alternate	North Oaks
	Lino Lakes
Marc Johannsen	Vadnais Heights
Dan Jones	White Bear Lake
Bill Mample	White Bear Township

Member Absent: John Bergeson, Lino Lakes.

Also attending: Stephanie McNamara, VLAWMO.

Call to Order was made at 7:10 by Acting Chair, Marc Johannsen. Introductions were made as two new Directors were in attendance.

**Agenda** A motion was made by Bill Mample & seconded by Dan Jones to approve the agenda as printed. Vote: all aye. Motion passed.

**Minutes** A motion was made by Mample & seconded by Johannsen to approve the October 24, 2007 and December 19, 2007 minutes as printed. Vote: all aye. Motion passed.

**Treasurer Report** The February report was discussed. The Board expressed a desire to have a quarterly reports. Format options will be reviewed for the next meeting. The next meeting will be the annual budget meeting to approve the 2009 budget. A motion was made by Dan Jones and seconded by Mample to accept the Treasurer's Report. Vote: all aye. Motion passed.

**Old Business**

**A. Orientation and summary of 2007 activity**

There was a brief review of 2007 activity and proposed work plan for 2008 by staff. Highlights from last year included an amendment to the Joint Powers Agreement, approval and adoption of the third generation Water Management Plan and the planning and implementation of the Storm Sewer Utility (SSU) to fund the 2008 budget. 2008 work includes refinement of several elements of the SSU, updating watershed boundaries, starting work on the Lambert Creek TMDL, revitalizing the Citizen's Advisory Committee and enhancing the education program.

**Storm Sewer Utility (SSU) update.**

The first year implementation of the SSU was discussed. The positive elements included a very strong rate of compliance, 87% of the 2008 budget was received. For the most part the database worked very well. There are some calculation glitches for some of the condo and townhouse properties that will need to be resolved before next year.

Two significant negative elements will need to be addressed this year: the cost in both cash and staff time and the bad public relations this caused VLAWMO. Cash expenditure will probably not change that much as preprinted forms, envelopes, and postage will still be needed. Using the mailing as opportunity to send out a newsletter or educational piece was discussed. Almost two months of staff time was consumed this first year. Efficiencies will be seen the second year and employing part-time, temporary help for check processing and data entry would be more cost efficient.

Direction from the Board. Both Ramsey and Anoka County have had additional questions come up that will need to be resolved before the delinquent fees can be certified. Staff and Charlie LeFevere, our SSU legal counsel, are working to answer their questions. However the county deadline for the spring tax statements is quickly approaching. If the questions are not resolved, the fees will not be certified. Ramsey county has 98% of the remaining fees to be collected. The Board discussed options if the remaining fees were not collected. They directed staff to re-bill the unpaid fees if they cannot be collected. An additional late fee should be added to the original late fee from last December.

**New Business**

**A. 2008 meeting dates.**

The following dates were set for quarterly meetings in 2008: May 14, August 13, November 12.

**B. Auditor selection**

All proposals have come in over the budgeted amount of \$4500. The current lowest bidder is Abdo, Eick and Meyer at \$4,836 for the 2007 budget. After discussion the Board directed staff to ask the lowest two bidders to reconsider their costs if they were offered a five year contract. Engage the lowest bidder and proceed with the audit. A motion was made by Hutch Schilling, seconded by Bill Mample to engage the lowest bidder from the second round of proposals. Vote: all aye. Motion passed.

**C. Declaration of Depository**

VLAWMO has banked with US Bank for several years; however the banking needs of the watershed are changing. There is a need to make a better return on invested annual income. VLAWMO usually receives most of its income once per year, budgeting monthly expenses accordingly. Some funds were put into short term CD's in 2007. The saving account has been changed in January 2008 to a type with a better interest rate. Most of the checking funds have been transferred to the new savings, with a significant increase in earned interest. There had been substantial bank service charges for the more than 6600 individual checks that came in November and December. After discussions with the bank, \$2900 of the

\$3700 bank service fee has been reversed. One final concern was raised by staff; there is inadequate FDIC insurance to cover the current balances in the watershed accounts.

Recommendation: after discussion with some of the member finance directors and the government services banker with US Bank, staff recommends staying with US Bank and switching most the VLAWMO holdings to a 4-M account, while maintaining a zero balance checking account. This is the same type of account system used by several of our member municipalities as well as some other watershed organizations in the metro area. Interest on 4-M funds earn market rate or better and it remedies the FDIC concern. A motion was made by Bill Mample, seconded by Dan Jones to approve Resolution 01-2008, establishing the 4-M account and to maintain the banking relationship with US Bank. Vote: all aye. Motion passed.

**D. Election of Officers**

Bill Mample declined an officer position because of his upcoming bid for reelection in March. George Rux is serving as alternate from North Oaks and under the JPA is ineligible to be an officer.

Bill Mample nominated Marc Johannsen to serve as Chair. Vote; all aye.

Marc Johannsen nominated Hutch Schilling to serve as Vice Chair and Dan Jones to serve as Secretary / Treasurer. Vote all aye.

E.

**Administration Report**

A draft of the front page for the new VLAWMO website that is under construction was viewed. ICBits has been retained to help with development and host the website. The new format will allow more flexibility and allow VLAWMO staff to do immediate editing of content. VLAWMO's current website had been launched in 1998. The new website should provide users a great deal more information, be more attractive and user friendly. Anticipated launch date is April 1<sup>st</sup>.

Citizen's Advisory Committee is required by State Statute and VLAWMO has had committee members providing review assistance for several years. There is a network of volunteers that help with various activities as well. The Water Plan commits to revitalizing this committee. Staff asked for Board direction for what roles the CAC might fulfill. After discussion, the Board offered to help recruit CAC members if the mission is defined. Chair Johannsen recommended the preliminary purpose be a project that would have defined goals that could be met. The Board asked the Technical Commission to further define the role of this revitalized CAC as they are close to the ongoing projects and programs.

**Directors Reports**

Bill Mample reported that the Township elections will be held in March and he will know then if he will continue to serve on the VLAWMO Board.

**Next Meeting Date** – May 14, 2008 at 7pm.

**Public Comment** none.

**Adjourn** The meeting adjourned at 8:25 PM.