

MINUTES OF THE BOARD OF DIRECTORS – DECEMBER 11, 2024, REGULAR BOARD MEETING

Attendance		Present	Absent
Jim Lindner, Chair	City of Gem Lake	X	
Grover Sayre	City of North Oaks		*X
Rob Rafferty	City of Lino Lakes	X	
Ed Prudhon	White Bear Township		*X
Andrea West	City of White Bear Lake	X	
Katherine Doll Kanne	City of Vadnais Heights	X	
Phil Belfiori	Administrator	X	
Dawn Tanner	Program Development Coord.	X	
Brian Corcoran	Water Resources Mgr.	X	
Lauren Sampedro	Watershed Tech & Program Coord.	X	
Angela Hugunin	Communication & Outreach Coord.	X	

\*= with prior notice

\*\*= alternate

**Others in attendance:** Terry Huntrods (TEC).

**I. Call to Order**

The meeting was called to order at 7:00 pm by Chair Lindner.

**II. Approval of Agenda** 🐦

The agenda for the December 11, 2024, Board meeting was presented for approval. Administrator Belfiori confirmed that there were no changes proposed by staff.

A motion was made by Director Rafferty and seconded by Director Doll Kanne to approve the December Board meeting agenda. Vote: all: aye. Motion passed.

**III. Approval of Minutes** 🐦

The minutes from the August 28, 2024 Board meeting were placed on the agenda for approval, as motioned at the October 23, 2024 Board meeting, along with the minutes from the October 23, 2024 Board meeting.

Administrator Belfiori stated that he consulted VLAWMO's attorney regarding approval of minutes. Board members are allowed to vote to approve the minutes even if they were not in attendance at the meeting, after they have reviewed the minutes.

A motion was made by Director Rafferty and seconded by Director West to approve the August 28, 2024, minutes. Vote: all: aye. Motion passed.

Director Doll Kanne asked if her request was received to update the minutes on page 13 to state that Kelly Jozowski was the alternate for the October 23, 2024 Board meeting. Administrator Belfiori confirmed that update to the minutes.

A motion was made by Director Doll Kanne and seconded by Director Rafferty to approve the October 23, 2024 Board meeting minutes with the requested update. Vote: all: aye. Motion passed.

#### IV. Visitors and Presentations

##### A. Introduce Angela Hugunin - New Communication and Outreach Coordinator

Administrator Belfiori introduced VLAWMO's new staff member, Angela Hugunin, Communication and Outreach Coordinator. Hugunin greeted the Board and introduced herself. She highlighted her previous experience with the MPCA and the We Are Water Minnesota traveling exhibit. Board members introduced themselves and shared their affiliations.

##### B. TEC Report to the Board for December & Finance Report

Commissioner Terry Huntrods provided an overview of the December TEC Report to the Board. He highlighted that the TEC reviewed November and December financial reports and recommended approval. He discussed the action items that were discussed at the December TEC and on the consent agenda for the Board meeting. Huntrods mentioned that the TEC welcomed Angela earlier the same day. He shared updates on the carp program planning for 2025 and cost share closeouts completed and still in process.

Director Rafferty asked if VLAWMO works with WSB on the carp removal program. Tanner responded that VLAWMO worked with WSB for a winter season to attempt a large removal over the ice. Due to the oxygenation system and unstable ice conditions on Pleasant Lake, that removal attempt was not successful. VLAWMO worked with Carp Solutions prior to and during that time and has continued working with Carp Solutions with a focus on spring removals during carp migration for spawning.

##### C. Public Visitors - Non-agenda items

None.

#### V. Consent Agenda

Chair Lindner asked if any Board members wished to take any items off the consent agenda for discussion. No requests were made.

Consent items on the agenda and included in the December Board packet were as follows:

- A. Consider Legal Services for 2025 and 2026
- B. Consider Proposed 2025 Cost Share Program Updates
- C. Consider Water Conservation Partnership with City of Vadnais Heights
- D. Consider Resolution 02-2024–Concurrence on Minor Change in Proposed RCWD Boundary Change
- E. Consider VLAWMO Salary Action Guideline Chart with COLA per Subcommittee
- F. Consider MOU for Phase 3 Rotary Park Restoration Partnership with the City of White Bear Lake
- G. Consider Temporary Access Agreement for Continued Tamarack Alum Project
- H. Consider MOU with NOHOA for Ongoing Invasive Yellow Iris Removal Partnership in 2025
- I. Consider CLA's Recommendation to Switch VLAWMO's Audit from GAAP to Regulatory Basis

Discussion:

None.

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

## **VI. Business**

### **A. Projects and Studies/Plans**

#### **1. Consider MOU for Feasibility Study –Partnership with North Oaks Company and City of Lino Lakes**

Corcoran presented the proposed partnership with the North Oaks Company and City of Lino Lakes, as included in the packet. The partnership will complete a feasibility study that will investigate possible “over and above” BMPs to be located within the proposed NOC development site located in the City of Lino Lakes at Centerville Road and County Road J. NOC has recently hired the engineering consulting firm ISG as the design engineers for the proposed development site.

Corcoran showed figures with the project location, highlighting that the parcel includes an easement with SPRWS. The figures showed wetland boundaries and the proposed location of a new regional stormwater BMP.

With the three partners, the City of Lino Lakes, NOC, and VLAWMO, ISG is looking at design work for the current development. The main purpose of the study is to identify possible BMPs in three categories:

1. Regional Best Management Practice (BMP) for Stormwater: Assess BMP stormwater pond design to provide treatment to reduce nutrients and sediment loading to Wilkinson Lake, which is impaired for nutrients.
2. Water Reuse: Evaluate the feasibility of reusing water for irrigation on the proposed development site and reduce potable water use for irrigation.
3. Smart Irrigation Controllers Technology: The implementation of electronic equipment in ground to monitor the soil to utilize less water for irrigation of vegetation.

Corcoran explained the MOU that has been developed for the project including roles and responsibilities of the partners. This MOU identifies:

1. The Study would be managed /coordinated by NOC;
2. NOC would invoice VLAWMO for 2/3rds (66.66%) of total cost upon completion of the Study not to exceed \$25,853;
3. VLAWMO would then invoice the City of Lino Lakes for an amount of \$11,061. (this amount is not exactly 1/3rd of the total study cost given the City can't partner on items in tasks 2 and 3 which would likely be required in accordance with City requirements.)

Corcoran stated that staff recommends approval of the MOU and the proposed motion.

#### **Discussion:**

Chair Lindner asked what type of projects are being considered. Corcoran explained the development is in the engineering and design phase, and types of projects that may be considered are a regional stormwater BMP, water reuse, or possibly smart irrigation controllers. Chair Lindner asked what the development is going to be that is being built by NOC. Corcoran stated that housing is the focus. Director Rafferty added that the development is going to be residential and small commercial.

A motion was made by Director Rafferty and seconded by Director West to authorize approval of the MOU dated December 3, 2024 for the ISG Feasibility Study with non-material changes and upon advice of counsel. Vote: all: aye. Motion passed.

Director Rafferty asked how the City of Lino Lakes has been to work with on the project so far. Corcoran said that they've been fantastic. He mentioned working with Tom (Hoffman) and Andy (Nelson) on the previous Amelia Lake drainage study and future development planning with Mike (Grochala). He also said VLAWMO has worked with Lino Lakes over the years on a variety of projects.

## **B. Financial/Administrative**

### **1. Consider Resolution 06-2024 Regarding Approval of 2025 "Working" Budget**

Administrator Belfiori provided the VLAWMO Board with background and recommendations related to the proposed 2024 fund balance/2025 carry over and “working” budget. Belfiori referenced a table in the PowerPoint presentation to discuss specific line items and summarized the recommended proposed fund balances and carry over amounts.

Administrator Belfiori explained that upon analysis of and extrapolation from the November 2024 financial report, the updated estimated 2024 year-end fund balance (carryover from 2024 to 2025) is tracking higher than the projected 2024 overall fund balance carry over from the June Board meeting. This slightly higher projected 2024 year-end fund balance is due to fewer actual to-date expenditures in 2024 than predicted. The predicted total year-end fund balance based on actual 2024 year to-date expenditures is anticipated to be between \$1,150,000 – \$1,450,000 given entire budget is not anticipated to be spent.

Administrator Belfiori provided a summary of the proposed fund balance carry over going into 2025, which includes the \$1,180,708 carry over (assuming entire budget spent) in the approved 2025 Budget that was adopted by the Board in June 2024, and the additional proposed fund balance carry over incorporated into the 2025 “working” budget of \$180,796 (for a total revised proposed fund balance carry over from 2024 to 2025 of \$1,361,504, assuming entire budget is spent).

Several factors including but not limited to project timing, construction prices, weather, and changes in partners' priority project funding are some of the reasons that a more likely range of predicted use of carryover is anticipated for 2025. Management of uncertainty is an important component in managing the carry over and fund balance. Belfiori explained some projects with high uncertainty such as: East Vadnais Lake Subwatershed Resiliency Project, Polar Lakes Park Water Reuse Project, the 10-year WMP, potential Wilkinson alum project, “Green” street partnerships, and others.

The \$1,361,504 would now be considered “committed” for 2025 per the approved VLAWMO Fund Balance Policy. It is anticipated that at the end of 2024 (and going forward into 2025), the “unrestricted” fund balance in the General fund should be in more than the

minimum that is required, which is 35-50% of the 2025 budgeted expenditures as is identified in the VLAWMO Fund Balance Policy. Belfiori stated that VLAWMO will be within the general range of 35-50%. Column 4 in the table on page 85 shows the proposed carry over “committed” funds as shown in the table that is part of the resolution.

Administrator Belfiori stated the Board subcommittee discussed and recommended supporting the proposed working budget at their recent meeting.

**Discussion:**

Director Rafferty asked if market adjustments have been completed for VLAWMO staff. Administrator Belfiori responded that these are done regularly. The most recent salary survey was approved in 2024 and shifted based on recommendations of subcommittee members to reflect inflation and the market of similar positions. Director Rafferty clarified that the subcommittee included Chair Lindner, Director Doll Kanne, and Director Prudhon. Chair Lindner and Director Doll Kanne supported this and stated that all subcommittee members were in attendance and supported the results.

It was moved by Director Rafferty and seconded by Director West to approve Resolution 06-2024 committing specific portions of fund balance as identified in the table included in the resolution document. Vote: all: aye. Motion passed.

**RESOLUTION 06-2024**

**A RESOLUTION FOR COMMITTING THE FUND BALANCE FOR SPECIFIC PURPOSES**

**WHEREAS**, the Board of Directors of the Vadnais Lake Area Water Management Organization, does hereby find as follows:

**WHEREAS**, the Governmental Accounting Standards Board’s Statement No. 54 defines committed fund balance as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board,

**WHEREAS**, Board action is required before year end to formalize the commitment of fund balance to specified purposes,

**WHEREAS**, those committed amounts cannot be used for any other purpose unless the VLAWMO removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE VADNAIS LAKE AREA WATER MANAGEMENT ORGANIZATION**, that the specific portions of fund balance in the identified funds are committed as follows:

Fund Name and Description	Approved “working” 2024 Budget (from Board action on Dec. 2023)	TOTAL Predicted Year End 2024 Fund Balance amount (from 2024 to 2025-apx. range).	Proposed Carry Over “committed” Funds (into 2025 “working” budget) and Purpose	TOTAL Rough est./Projected Year End 2025 Fund Balance amount (from 2025 to 2026-apx. range)
General Fund - Fund 3.1. Operations and Administration	\$762,742	\$1,150,000 – \$1,450,000 (Estimate)	<b>\$13,165</b> Based on Personnel Subcommittee approval at 11/20/2024 Mtg. of updated salary adjustment /COLA (also on 12/11/24 Board meeting consent agenda)	\$600,000-\$1,200,000 (Estimate)
General Fund - Fund 3.2. Monitoring and Studies	\$151,000		<b>\$3,000</b> additional project specific performance monitoring and analysis needs	
General Fund - Fund 3.3. Education and Outreach	\$36,000		<b>\$5,000</b> Additional technical assistance in web site update and or other communication and outreach activities	
General Fund -Fund 3.4. Capital Improvement Projects and Programs	\$1,209,131		<b>\$1,340,339</b> The approved 2025 budget (approved at the June 2024 Board meeting) already included utilizing <u>\$1,180,708</u> of fund balance carry over to implement the 2025 Capital Improvement Projects and Programs. The proposed 2025 “working” budget now proposes an additional <u>\$159,631</u> of additional fund balance carry over for a total Proposed Carry Over “committed” Funds (into 2025 “working” budget) of <u>\$1,340,339</u> . For implementation of the proposed projects in several subwatersheds including: Continuance of the Tamarack Alum project, Level 1/ 2 and SHG cost-share partnership projects, and those proposed projects	

			identified in the approved 2025 budget.	
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The question was on the adoption of the resolution and there were \_4\_ yeas and \_2\_ nays as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>
<i>Andrea West</i>	X	<input type="checkbox"/>	<input type="checkbox"/>
<i>Ed Prudhon</i>	<input type="checkbox"/>	<input type="checkbox"/>	X
<i>Rob Rafferty</i>	X	<input type="checkbox"/>	<input type="checkbox"/>
<i>Grover Sayre</i>	<input type="checkbox"/>	<input type="checkbox"/>	X
<i>Katherine Doll Kanne</i>	X	<input type="checkbox"/>	<input type="checkbox"/>
<i>Jim Lindner</i>	X	<input type="checkbox"/>	<input type="checkbox"/>

Upon vote, the Chair declared the Resolution adopted on this 11<sup>th</sup> day of December 2024.

_____	12-11-24
James Lindner, Chair	Date

#### VADNAIS LAKE AREA WATER MANAGEMENT ORGANIZATION

I, the undersigned, Administrator of the Vadnais Lake Area Water Management Organization, hereby certify that I have carefully compared and attached the foregoing extract of minutes of a regular meeting of the Board of Directors of said watershed held on the 23rd day of October 2024, with the original thereof on file in my office.

WITNESSED BY the Watershed Administrator this 11th day of December 2024.

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Phil Belfiori, Administrator

**VII. Discussion/Admin communication**

Administrator Belfiori thanked the Board for their vision, support, and dedication to VLAWMO and emphasized that staff appreciate all of their time and dedication to the organization.

**XI. Adjourn**

A motion was made by Director Rafferty and seconded by Director West to adjourn at 7:23 pm. Vote: all: aye. Motion passed.