



Capitol Region Watershed District

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Regular Board Meeting of the Capitol Region Watershed District (CRWD) Board of Managers, for
Wednesday, September 4, 2024, at 6:00 p.m.

REGULAR MEETING MINUTES

I. Call to Order of Meeting (**Joe Collins, President**)

A) Attendance

Managers

Mary Texer
Hawona Sullivan Janzen
Shawn Mazanec
Joe Collins
Rick Sanders

Staff Present

Anna Eleria
Bob Fossum
Belinda Armstead
Lindsay Schwantes
Acadia Stephan
Jessica Bromelkamp

Public Attendees

Bob Simonet, CAC Member

Other Attendees

Bradley Cousins, Ramsey County Attorney
(Legal Counsel for CRWD)
Corey Boyer, Vice President, PMA Financial
Network

B) Review, Amendments, and Approval of the Agenda.

Motion 24-158: *Approve the Agenda of the September 4, 2024, Board Meeting with one change.* Administrator Eleria requested item V.C. be moved after III. C.

Mazanec/Sanders
Unanimously Approved

II. Public Comment

A) Public Comment for Items not on the Agenda (Please observe a limit of three minutes per person.)

None.

III. Permit Applications and Program Updates

A) Permit #19-014, 104 MRB-Closure (Stephan)

This erosion and sediment control-only permit was issued to demolish existing buildings ahead of future development at 104 Mississippi River Blvd in Saint Paul. Work is complete; the activity on site is now covered under permit #21-002 (MRB Subdivision) for development into residential lots. No surety was collected for this project.

Motion 24-159: *Approve Certificate of Completion for permit #19-014, 104 MRB.*

Mazanec/Sanders
Unanimously Approved

B) Permit #20-002, Tedesco Street Reconstruction Closure (Stephan)
This permit was issued to the City of Saint Paul Public Works Department for the reconstruction of Tedesco Street between Lafayette Road and Payne Avenue in Saint Paul. One underground filtration trench has been confirmed functional and provides stormwater treatment. Work is complete, and the site is stable. No surety was collected for this public project.

Motion 24-160: *Approve Certificate of Completion for permit #20-002, Tedesco Reconstruction.*

Mazanec/Sanders
Unanimously Approved

C) Permit #22-004, Prior Avenue Reconstruction (Hosch)
This permit was issued to the City of Saint Paul Public Works Department to reconstruct Prior Avenue between Gilbert Avenue and University Avenue in Saint Paul. Stormwater treatment is provided by one underground filtration trench that has been confirmed functional. Stormwater volume in excess of the volume constructed within the linear cost cap (5,072 ft³– 4,045 ft³=1,027 ft³) is eligible to be deposited into the Saint Paul Public Works Volume Bank. Work is complete, and the site is stable. No surety was collected for this public project.

Motion 24-161: *Approve Certificate of Completion for permit #22-004, Prior Ave Reconstruction and deposit 1,027 ft³ into the Saint Paul Public Works Volume Bank.*

V. Action Items

C) Approve Investment of CRWD Fund Balance (Eleria)
Since 2003, CRWD has participated in the Minnesota Municipal Money Market (4M) Fund to manage its general funds and bond proceeds. The 4M Fund is sponsored and governed by the League of Minnesota Cities and is administered by PMA Financial Network. CRWD's membership in the 4M Fund was renewed in 2023.

Considering CRWD's estimated total end-of-year fund balance, our operations and CIP fund balance policies, and short-term primary cash flow needs, we have determined that up to \$4M is available for investment into Certificates of Deposit (CDs) and/or Treasury Notes over 6-, 12-, 18-, and 24-month terms. Known as a ladder strategy, spreading investments across various maturity dates maintains adequate liquidity to meet any short-term funding needs.

Staff and 4M Fund staff reviewed the most up-to-date investment options for the Board to consider.

All CRWD funds are currently managed in the 4M Liquid Fund, which has variable money market rates, immediate liquidity, and monthly disbursement of earned interest. Over the past few years, short-term money market rates have been high; on August 23rd, the rate was 5.15%. In the first seven months of 2024, CRWD earned approximately \$455K.

Because the Federal Reserve Bank has indicated that it will cut rates starting in mid-September, CRWD staff and the Board Finance Committee, with assistance from 4M Fund Investment Services Managers, are exploring other short-term options for investing a portion of CRWD's fund balance to lock in higher rates and yields.

President Collins inquired about trading and how it is conducted. Mr. Boyer replied that a centralized trading group manages banking interactions; they also have an asset advisory team and a credit review team that looks at all the banks. Manager Mazanec asked Administrator Eleria about the approach we are leaning toward. Administrator Eleria replied that we are looking at multiple options for investing and splitting over different terms. President Collins established that the investment would be safe.

Motion 24-162: *Approve investment of up to \$4,000,000 in Certificates of Deposit and/or Treasury Notes as presented and authorize the Administrator to execute the final investment purchases to achieve the best rates possible.*

Mazanec/Sanders
Unanimously Approved

IV. Special Reports- Partner Grant Program Review Update (Schwantes)

The Partner Grant Program has been instrumental in helping the District establish and sustain community partnerships, especially with organizations serving audiences in our Focus Area and communities identified in CRWD's Diversity, Equity, and Inclusion Plan. The Partner Grant Program has grown significantly in terms of the number of grantees and program budget. The program has been adapted to streamline the process for staff and applicants and to meet better District goals outlined in the 2021-2030 Watershed Management Plan and the 2020-2025 Diversity, Equity, and Inclusion Plan. It was determined that a holistic review of the program would be beneficial. At the April 17, 2024, Board Meeting, a Partner Grant Program Review Charter was approved. Staff have been working on collecting feedback from internal and external audiences to guide program changes. These changes will strengthen program connections and outcomes to our Watershed Management Plan and reduce staff time administering the program, application process, proposal review process, funding cycle, and payment cycle.

Staff have reviewed the summary of feedback from internal and external audiences and developed a list of possible program changes for the Board to review and comment on.

Manager Mazanec and President Collins commented that they are keen on the two-year term. Manager Sullivan Janzen commented that moving to a two-year model would be more challenging than a one-year one. She argues that a model of trust, a certain amount upfront, and then reimbursement might fix any challenges. Manager Texer commented that the division did a

good job reviewing the information. Manager Sullivan Janzen asked about the amount grantees will be awarded. There was a discussion about the maximum number of grants awarded and the award amount. Manager Texer inquired about the reimbursement process. Ms. Schwantes commented that we will clarify the award amounts and mentioned that Manager Sullivan Janzen is correct in that we need to consider these parameters. President Collins commented that keeping track of the requirements and clarifying how to turn in receipts is essential.

V. Action Items

A) Approve Minutes of August 21, 2024, Regular Board Meeting (Armstead)

Motion 24-163: *Approve the August 21, 2024, Minutes, Regular Board Meeting.*

Mazanec/Sanders

Unanimously Approved

B) Approve Partial Accounts Payable/Receivable for August 2024 (Dalit)

Motion 24-164: *Approve a partial August 2024 accounts payable and direct Board Treasurer and President to endorse and disperse checks for these payments. Authorize the Administrator to issue electronic payments for June US Bank and Menards credit card payments.*

Mazanec/Sanders

Unanimously Approved

D) Approve Watershed Artist in Residence Request for Qualifications (Bromelkamp)

Ms. Bromelkamp introduced the Watershed Artist in Residence for Qualifications. In 2010, Capitol Region Watershed District launched the Artist-in-Residence (AiR) program in partnership with Ramsey Washington Metro Watershed District (RWMWD) and Public Art Saint Paul (PASP) with the goals of opening a dialogue between water resource managers about how artists might make the invisible visible to achieve water quality improvements and developing a Watershed Art Plan to identify opportunities for integrating art into CRWD's existing and upcoming work. Professor Christine Baeumler (University of Minnesota) was hired because of her work creating water-related public art, and she has served as CRWD's AiR for over a decade. Her contributions profoundly impacted CRWD programs and projects, including integrating art into CRWD's office. Staff have drafted a Request for Qualifications to hire CRWD's next AiR. Our search will focus on Twin Cities-based artists to ensure that candidates have a strong understanding of CRWD's urban watershed and the communities we serve. The draft 2025 budget for Public Art includes \$30,000 for the Watershed Artist-in-Residence and Water + Art community workshops.

Manager Texer commented that due to the type of position, the artist would not receive benefits because they are contracted. Manager Sullivan Janzen commented that the current language seems uncertain about the funds available for the artist. She recommends more explicit language about annual funding amount. Administrator Eleria confirmed that we can clarify the

contracted amount is anticipated to be \$20,000 per year. Attorney Cousins commented that we want to be careful about what we promise as a public entity contracts do have clauses. Manager Sullivan Janzen asked how you would contract for two years if it is not inevitable; otherwise, it would be a one-year contract. President Collins commented that one solution is to encumber extra funds, \$40,000, to address this concern; \$20,000 is the artist fee, and \$10,000 is the workshop fee. Attorney Cousins commented that you could include language anticipating a second year but maintain that if funding is not available, then CRWD is protected; it is important not to over-promise. Deputy Administrator Fossum commented that we have never had to use the clause in the history of the District despite the contract language requirements. Manager Sullivan Janzen recommends adding the anticipated start date of 2025.

Motion 24-165: *Review and approve Watershed Artist in Residence Request for Qualifications, modifying the language on page 3 of the RFQ, the first sentence to “The AiR is a two-year position with an option to renew at the end of 2026. The anticipated level of funding for the AiR annually is approximately \$20,000, with additional funds set aside for workshops, a permanent exhibit, and other artistic initiatives.”*

Mazanec/Sanders
Unanimously Approved

VI. Unfinished Business

A) Preliminary 2025 Budget and Levy Update (Eleria)

Administrator Eleria provided an update on the budget changes. There was a public hearing on the draft budget but no comments from the public or partners; the CAC supports the proposed budget. The proposed levy was increased by 1% to \$100,000; the updated proposed levy is 6%; we suggest allocating this increase to Facility Management to fund significant repairs. Administrator Eleria asked for feedback on the change. Manager Texer inquired exactly where the Board said they wanted the funds; President Collins clarified that the Board recommended an increase for the reserve, and then the Board agreed to an additional 1% for Facility Management.

VII. General Information

A) Board of Managers’ Updates

None

B) Administrator’s Update

Administrator Eleria encouraged the Board and CAC to contact Ms. Dalit as soon as possible to register for the MN Water Resources Conference.

VIII. Adjournment

Motion 24-166: *Adjournment of September 4, 2024, Regular Board Meeting at 7:56 PM.*

Mazanec/Sanders
Unanimously Approved

Respectfully submitted,
Belinda Armstead