



Minutes

Regular Meeting of the ACD Board of Supervisors

Time: December 15, 2025, 5:00PM

Location: 1318 McKay Drive NE Suite 300, Ham Lake, MN

Members Present: Jim Lindahl, Chair
Glenda Meixell, Vice Chair
Kate Luthner, Treasurer
Danielle Holder, Secretary
Mary Jo Truchon

Others Present: Chris Lord, District Manager
Kathy Berkness, Office Administrator

Chair Lindahl called the meeting to order 5:02pm

December Agenda - Call for additions, deletions, or transferring consent agenda items to the regular agenda.

- Luthner moved to approve the December agenda. Meixell seconded the motion. All ayes, motion carried.

Consent December Agenda

- A. Approve November Minutes**
- B. Receive Staff Activity Reports**
- C. Receive November ACD Financial Reports Subject to Audit**
- D. Receive November Rum River Partnership Financial Reports Subject to Audit**
- Meixell moved the December consent agenda items. Holder seconded the motion. All ayes, motion carried.

Committee Meetings

E. Operations Committee Meeting

Luthner provided an overview of the meeting stating the Operations committee focused on the McKay maintenance schedule, lease rates and the possible expansion of ACD's office. For the 2026 property maintenance schedule, sufficient funds are earmarked to replace two furnaces or AC units. Committee members agreed to push the replacement of the lower parking lot to 2027 and postpone work on ACD's office interior until we know if an office expansion is likely to happen.

- Lindahl moved to adopt the maintenance schedule as modified with a total of \$16,000 in expenses. Truchon seconded the motion. All ayes, motion carried.

Lord explained that rental rates are increased based on the November CPI which is not out yet but estimated to be around 3%.

- Truchon moved to approve the lease rates increase automatically on January 1, 2026, in accordance with ACD policy. Lindahl seconded the motion. All ayes, motion carried.

Cramped office space is compromising productivity and professional development for some staff. Options to utilize the other building on ACD's property were discussed but rejected due to the likely erosion of office cohesion and ADA challenges. Expansion of ACD's office to the south to create a larger conference room and add individual offices was discussed along with the possibility of purchasing a different facility that meets ACD's needs. Lord was encouraged to research options.

F. Personnel Meeting

Lord reminded the Board that ACD conducts two performance evaluations per year, in June and December. Self-evaluations were completed by employees and the District Manager added comments. Thereafter, each employee met with the District Manager. Staff had the opportunity to

rate the District Manager, the results of which were included in his evaluation. All evaluations were sent to the Personnel Committee Members. Common themes were compiled in a table from the evaluations while maintaining anonymity. The Board reviewed the common themes.

- Truchon moved to approve the retention of all staff in their current position classes and to revisit the compensation plan in March of 2026 to consider how credit for prior year's work may result in compensation inequity. Luthner seconded the motion. All ayes, motion carried.

Lord summarized handbook changes, specifically where the District Manager may authorize expenditures up to \$1,000 not in the approved budget, which changed from \$500. The capital threshold changed to \$2,500 versus \$500. Lord also drafted language for a policy on office coverage with alternative language for who must approve it; one with Board level approval, the other with District Manager level approval. The Board opted for the latter alternative to allow the District Manager authority to close the office, to be posted to ACD's website one week in advance.

- Truchon moved to approve the ACD Handbook revisions for 2026 as presented, with the Board to decide the percentage threshold, beyond which employees may have to contribute to the cost of PFML premiums. Meixell seconded the motion. All ayes, motion carried.

Lord directed attention to the Paid Family Medical Leave (PFML) section where the Board still needs to define what amount of PFML insurance premiums ACD will cover, expressed as a percent of payroll. The current cost is 0.59%. Staff suggested 1.0%, beyond which, the Board would consider if they wanted to require staff to contribute through deductions from their paychecks.

- Meixell moved to approved covering insurance premium costs up to 0.59% of payroll, beyond which, the Board would consider if they wanted to require staff to contribute through deductions from their paychecks. Luthner seconded the motion. All ayes, motion carried.

G. Finance Committee Meeting

Lord pointed out the updates to the 2025 and 2026 Budgets as listed below.

2025 Budget Update Attempted to incorporate all expenses and earned revenues

- Funds grown per planned need: Compensated Absences (\$99,902), Retirement Severance (\$62,146), Vehicle (\$7,000) and Property Maintenance (\$33,866)
- Partial use of available SWCD Aid funds
- Undesignated fund currently has ~\$986,117, which is 59% of ACD's operating budget. Our policy is to have at least 25%
- Net revenue of ~\$149,500

2026 Budget Update

- Funds grown Compensated Absences (\$114,902), Retirement Severance (\$68,219), Vehicle (\$7,000)
- \$28K deposit to McKay Maintenance fund, \$16K available for repairs to McKay property
- \$20K to Capital (Rain Guardian forms)
- Lease rate increase of est. 3% based on expected average annual MN CPI increase for last twelve months
- Continue all 2025 regular staff positions and anticipated promotions
- Convert 0.75FTE seasonal position to 1 FTE regular technician with 30% designated outreach workload
- Rain Guardian unit sales \$4K lower than 2025
- No speculative grants
- 2027 WBIF likely to be available mid-2026, but not included in the budget
- 5% increase (\$59/month) in employee taxable fringe benefits effective January 1; ACD's contribution to health care is \$1,236/month for eligible employees.
- County general allocation increase of \$35,780 for a total of \$262,772
- Wage adjustment of 100% to target effective July 1, 2026 with a 1.5% inflationary adjustment over 2025
- Net revenue of \$28,780

Luthner suggested preserving the original budget numbers in additional columns rather than replacing them with approved budget updates.

- Luthner moved to recommend approval of the 2025 and 2026 budget updates. Holder seconded the motion. All ayes, motion carried.

The board discussed the building extension and some alternatives such as moving to another location. Lord noted that three potential problems all came back with good resolutions; we will not need to expand the septic system, add new parking spaces, or add a fire suppression sprinkler system to the building. Lord will continue to research costs and provide design alternatives and recommendations as the matter evolves.

- Luthner moved to recommend approval of up to \$200K be considered for the building extension. Holder seconded the motion. All ayes, motion carried.

H. Watershed and Other Meetings

The Board discussed watershed and other meetings they attended.

Supervisor	Meeting/ Organization	Attended	No Meeting	Did not Attend
Lindahl	CCWD Citizen's Advisory Meeting			X
Lindahl	Upper Rum River WMO		X	
Lindahl	Planting at CR Dam Regional Park	X		
Luthner	Lower St. Croix Watershed Partnership		X	
Luthner	Sunrise River WMO		X	
Luthner	MASWCD Convention	X		
Truchon	RCWD Citizen's Advisory Meeting		X	
Truchon	MASWCD Convention	X		
Holder	Lower Rum River WMO	X		
Holder	Lower St. Croix Watershed Partnership		X	
Holder	MASWCD Convention	X		
Meixell	Mississippi River WMO			X
Meixell	MASWCD Convention	X		

The Board discussed CCWD District Administrator Tim Kelly's retirement party. Lord stated he attended. Lindahl stated Kelly had a wealth of knowledge regarding

I. Partner Report – The Board reviewed the NRCS report provided by Katie Evens.

New Business Information Items

J. ACD Fee Schedule Approval

The Board reviewed a memo prepared by Watershed Projects Manager Jamie Schurbon outlining the changes to the ACD fee schedule for 2026. The employee hourly rates were updated along with some of the services provided by ACD.

- Luthner moved to adopt the 2026 fee schedule as presented. Holder seconded the motion. All ayes, motion carried.

K. Project Agreement Approval – Dellwood River Park Eco Enhancement

The Board reviewed a memo prepared by Water Resource Specialist Jared Wagner requesting approval to enter into a contract with the City of St. Francis for a Habitat enhancement at Dellwood Park.

- Lindahl moved to enter the contract and maintenance agreement with the City of St. Francis for habitat enhancement work at Dellwood River Park. Holder seconded the motion. All ayes, motion carried.

L. Contract Approval – MVTL Labs – 2026 Lab Selection

The Board reviewed a memo prepared by Water Resource Specialist Kris Larson to select a lab to use for water sample analysis in 2026.

- Luthner moved to approve 2026 lab services from MVTL Labs for all parameters except E. coli, which would be through Instrumental Research. Holder seconded the motion. All ayes, motion carried.

M. Contract approval Well Sealing

The Board reviewed a memo prepared by Larson requesting approval of a well sealing contract

- Luthner moved to approve the contract for well-sealing cost share as listed below for \$600. Meixell seconded the motion. All ayes, motion carried.

Activity Name	Bastian Well Services Inc.	E.H. Renner & Sons.	Grant Match 60% for resident cost share
CWFWS-2025-10-Fridley-Johnsen	\$1,000.00	\$2,560.40	\$600.00

N. Payment Approval – Landbridge CCCA

The Board reviewed a memo prepared by Restoration Ecologist Carrie Taylor requesting payment to Landbridge Ecological, LLC. for a prescribed burn and seeding on 10.3 acres of prairie and wetland at the Cedar Creek Conservation Area.

- Truchon moved to approve payment of \$5,604.87 for Invoice #4514 to Landbridge Ecological LLC, for completing treatment at the Cedar Creek Conservation Area. Holder seconded the motion. All ayes, motion carried.

O. Payment Approval – Johnson Critical Area Planting

The Board reviewed a memo prepared by Resource Technician Balin Magee requesting payment to a landowner for a critical area planting installed by staff. This project is along 205 linear feet of Rum Riverbank in Andover. Work included installing 168 plant plugs. Lord commented that it is good for staff to complete installation labor to improve their understanding of what goes into it.

- Luthner moved to approve reimbursement to Daryl Johnson for the critical area planting project at 4519 175th Ave NW in the amount of \$640.87 (90% of materials and installation labor). Holder seconded the motion. All ayes, motion carried.

P. Payment Approval – to Great River Greening (GRG) & Sherburne County Parks for the National Fish and Wildlife Foundation (NFWF) Monarch Butterfly and Pollinator Grant

The Board reviewed a memo prepared by Taylor requesting payment to subcontractors of the NFWF monarch program. Both GRG and Sherburne County Parks are completing grant eligible activities under subcontracts with ACD.

- Luthner moved to pay Great River Greening \$12,498.91 and Sherburne County Parks and Trails \$9,928.03 for activities under the National Fish and Wildlife Foundation Monarch Butterfly and Pollinator Conservation Fund. Holder seconded the motion. All ayes, motion carried.

Q. Payment Approval – Sherburne SWCD – Rare Plant Rescue

The Board reviewed a memo prepared by Taylor requesting payment to Sherburne SWCD for their assistance in coordinating a volunteer event and planting rescued Viola lanceolata at Sherburne National Wildlife Refuge. This is in association with the Outdoor Heritage Fund ASP8 Rare Plant Rescue program.

- Truchon moved to authorize payment of \$673.50 to Sherburne SWCD for their services described in Invoice #2025359. Meixell seconded the motion. All ayes, motion carried.

R. Payment Approval – MLA – Rare Plant Rescue

The Board reviewed a memo prepared by Taylor requesting payment to MN Landscape Arboretum for their contracted work associated with the Outdoor Heritage Fund ASP8 Rare Plant Rescue program.

- Luthner moved to approve payment of \$19,014.4 to Regents of the University of Minnesota Landscape Arboretum Invoice No. 2011041965 for professional services provided for the OHF ASP 8 Rare Plant Rescue grant. Holder seconded the motion. All ayes, motion carried.

S. Contract and Payment Approval – Pollinator Pathways Reimbursements

The Board reviewed a memo prepared by Restoration Technician Jordi Johson requesting payment to Pollinator Pathways cost share participants.

- Luthner moved to approve payment to the participants listed below. Holder seconded the motion. All ayes, motion carried.

Project ID	Landowner In Kind	Grant
2025-L2L-Fridley-Marquette	\$ 125.00	\$ 500.00
2025-L2L-Fridley-Hyland	\$ 125.00	\$ 424.52

T. Payment Approval – ISG – Ditch 13 Wetland Restoration

The Board reviewed a memo prepared by Schurbon requesting payment to ISG for a pollution reduction estimate for the Ditch 13 Wetland Restoration.

- Luthner moved to approve payment of \$2,107.50 to I & S Group for invoice 126495. Holder seconded the motion. All ayes, motion carried.

U. Payment Approval – ISG – Ditch 20 Wetland Restoration

The Board reviewed a memo prepared by Schurbon requesting payment to ISG for engineering consulting on the Ditch 20 Wetland Restoration.

- Luthner moved to approve payment of \$3,263.50 to I & S Group for invoice 126649. Holder seconded the motion. All ayes, motion carried.

V. Management Representation Letter - 2024 Audit

The board reviewed the Management Representation Letter from Peterson for the 2024 ACD Audit. Lord pointed out an update and explained some of his frustrations related to communications with Peterson staff regarding some of the suggested adjustments to the finances.

- Holder moved to approve the Peterson Management Representation letter for the 2024 Audit, 2024 ACD Financial Report, and draft audit. Meixell seconded the motion. All ayes, motion carried.

Pay Bills

ACD

- Luthner moved to approve payments EP-2362 to EP-2380 and check numbers 17159 to 17187. (Noting the void of 17185) Meixell seconded the motion. All ayes, motion carried.

Rum River Partnership

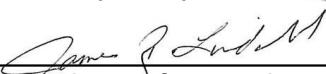
- NA

FYI /Meetings/Latest News

- January 1, Office Closed for the Holiday
- January 19, Office Closed for the Holiday
- January 20 - ACD Board Meeting - ACD Office 5pm
- February 16, Office Closed for the Holiday
- Reminder to discuss ACD day at the Capitol
- Lindahl moved to adjourn at 6:48. Holder seconded the motion. All ayes, motion carried.


Prepared by Kathy Berkness, Office Administrator

1/20/26
Date


Approved as to form and content by Jim Lindahl, Chair

1/20/26
Date