

**MINUTES OF THE REGULAR MEETING OF
THE MINNEHAHA CREEK WATERSHED DISTRICT
BOARD OF MANAGERS**

July 27, 2023

CALL TO ORDER

The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called to order by President Sherry White 7:02 pm on July 27, 2023, at the MCWD offices, 15320 Minnetonka Boulevard, Minnetonka, Minnesota.

MANAGERS PRESENT

Sherry White, William Olson, Jessica Loftus, Stephen Sando, Richard Miller, and Eugene Maxwell.

MANAGERS ABSENT

Arun Hejmadi (monitored meeting remotely).

DISTRICT STAFF AND CONSULTANTS PRESENT

James Wisker, Administrator; Trey Jonas, Permitting Technician; Becky Christopher, Policy Planning Manager; Michael Hayman, Project Planning Manager; Josh Wolf, Project and Land Program Manager; Tiffany Schaufler, Senior Project Maintenance Coordinator; Chris Meehan, District Consulting Engineer; and Louis Smith, District Counsel.

MATTERS FROM THE FLOOR

None.

APPROVAL OF AGENDA

It was moved by Manager Miller, seconded by Manager Maxwell to approve the Agenda as distributed. Upon vote, the motion carried 5-0 (Manager Loftus absent for vote).

CONSENT AGENDA

It was moved by Manager Miller, seconded by Manager Sando to approve the items on the Consent Agenda consisting of approval of the July 13, 2023 Board Meeting Minutes; approval of the General Check Register, including check numbers 42305 through 42333 in the amount of \$209,766.60, electronic funds withdrawals of \$56,485.20, Managers Per Diems and Reimbursements of \$5,514.06, employee

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reimbursements of \$19.97, and payroll electronic funds withdrawals and disbursements of \$222,695.26 for a total of \$494,481.09; the Surety Check Register Bremer Bank fee and check numbers 2189 through 2191 in the amount of \$23,527.00; and the Wire Check Register in the amount of \$13,761.54 in payment to City of Richfield for 2020A payment and Wells Fargo for 325 Blake Road Refinance.

Upon vote, the motion carried 6-0.

BOARD, COMMITTEE AND TASK FORCE REPORTS

President's Report: None.

Planning and Policy Committee Report: Manager Miller reported that the committee received a staff briefing on the Diversity, Equity and Inclusion Workgroup findings and recommendations. He noted that this is an important work in progress and further updates are expected next month.

Minnesota Metro Watersheds Quarterly Meeting Report: Manager Olson reported that the Ramsey Washington Metro Watershed District presented a report on their resiliency survey of weirs, dams and culverts. There was also an update on Minnesota Watersheds' strategic plan and a BWSR report on climate resiliency grants.

Citizens Advisory Committee: Manager Loftus reported that the CAC had a briefing on the annual budget and work plan for 2024 and CAC members provided helpful feedback.

Upcoming Meeting and Event Schedule: President White noted the upcoming meeting schedule.

PERMITS REQUIRING A VARIANCE OR DISCUSSION

Permit 22-553: Strawberry Lane, Shorewood

Mr. Trey Jonas appeared before the Board of Managers to review the permit application and noted that Shorewood engineer Mr. Andrew Budde was present in support of the application. He noted that this permit was before the Board in response to a request for board review by Mr. Alan Yelsey, a neighboring resident. Mr. Jonas reviewed the project location and background, as well as the application of MCWD rules to the project. He noted that Mr. Yelsey's concerns were that the project design relies too heavily on models, that the Smithtown Ponds have damaged the ecological integrity of the area, and that erosion control measures have not been adequately compliant.

President White invited Mr. Yelsey to present his comments on the permit application. Mr. Yelsey noted his 40 years of living in the area, his belief that the MCWD must

review the permit based on sound science and ecological integrity, and his request that the project be delayed to allow for more intensive monitoring data collection. He also expressed concern with the loss of trees and erosion problems.

It was moved by Manager Olson, seconded by Manager Maxwell to approve the permit application with the conditions recommended by staff. In response to a question from Manager Miller, Mr. Yelsey reiterated his requested conditions for the project to proceed, including third party engineering review and gathering of monitoring data to compare to the models. The managers extensively discussed the project and Mr. Yelsey's concerns, including the explanation of use of stormwater models, the MCWD engineer's independent review of the permit application on behalf of the District, the purpose and design of the project, project budget, larger project context as a City priority, tree replacement plans, and soil compaction. President White invited Mr. Yelsey to provide concluding remarks, and Mr. Yelsey stated that the area has high water tables but has never had a problem with flooding, that about 1,000 mature trees have been removed, and that more data is needed. ***Upon vote, the motion to approve the permit application with the conditions recommended by staff carried, 6-0.***

ACTION ITEMS

Resolution 23-040: Conditional Approval of City of Minnetonka Local Water Management Plan Amendment

Ms. Becky Christopher appeared before the Board of Managers to review the request for board action. She noted that the City of Minnetonka has updated the flood modeling for the local plan, but was not proposing any changes to the City's capital improvement program. Staff's review focused on concerns with potential downstream impacts and the value of strengthened coordination on flood risk management. She recommended that the Board of Managers approve the City of Minnetonka's local water management plan, as amended, conditioned on submission of a final amended plan that incorporates language that acknowledges the potential for cumulative downstream impact posed by the City's flood risk reduction efforts, and expresses a commitment to work cooperatively with the MCWD to understand and prevent or minimize downstream impacts, including:

- a. Engaging MCWD in the development of the City's flood mitigation prioritization strategy;
- b. Coordination on a project-specific basis to evaluate options to manage flood risk;
- c. Advising MCWD in its development of a two-dimensional model to inform flood risk management policies; and
- d. Exploring opportunities to partner with MCWD on regional flood storage projects.

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It was moved by Manager Miller, seconded by Manager Sando to adopt Resolution 23-040 as follows:

NOW, THEREFORE, BE IT RESOLVED that the MCWD Board of Managers hereby approves Minnetonka's local water management plan, as amended, conditioned on Minnetonka's submittal of a final amended plan that the District Administrator has found to adequately incorporate the acknowledgements and commitments described above.

Upon vote, the motion carried, 6-0.

BOARD DISCUSSION ITEMS

325 Blake Road Master Development Update

Mr. Michael Hayman appeared before the Board of Managers and introduced Mr. Bob Lutz and Ms. Erica Miller from Alatus, the master developer for 325 Blake Road. Mr. Lutz and Ms. Miller noted that the first building, with affordable housing, is nearing completion and has 126 parties expressing interest in the 116 units. Mr. Lutz noted the change in market interest rates and banks' liquidity problems that have affected the housing development market. He stated that there may be a desire to pivot to the senior cooperative and townhomes phases of the project. He noted that the Food Hall concept is being evaluated in relation to the parking needs and plans for the garage in the building on block D.

Mr. Lutz stated that Alatus will exercise the second extension provided in the purchase and sale agreement, and will continue discussions with the MCWD on a further extension of 90 days, along with an access easement and other issues. In response to a question from Manager Loftus concerning any alternatives to a food hall, Mr. Lutz noted the market pavilion at Theodor Wirth Park as a possible example. Manager Maxwell asked whether Alatus has discussed bonding with the City of Hopkins and Mr. Lutz noted some initial discussions. President White asked how 325 Blake Road compares to other Alatus projects, and Mr. Lutz noted that two projects are under construction and one is leasing. Manager Loftus expressed her appreciation for this update from Alatus and expressed concern with delays and the impacts on the MCWD's holding costs. The managers thanked Mr. Lutz and Ms. Miller for the update.

MCWD Stormwater Pond Survey Data Analysis and Maintenance Recommendations

Mr. Josh Wolf and Ms. Tiffany Schaufler appeared before the Board of Managers to provide a review of the preliminary findings from Stantec's analysis of the MCWD's stormwater pond data. Mr. Wolf reviewed background on the purpose and design of

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stormwater ponds, and the purpose of this analysis. Previously, the MCWD's pond maintenance program was reliant on current year analysis of selected ponds, and this new analysis allows for specific forecasting of ponds with maintenance needs.

The managers thanked Mr. Wolf and Ms. Schaufler for this presentation.

325 Blake Road Restoration and Redevelopment Update

Mr. Michael Hayman appeared before the Board of Managers and noted the discussions with Alatus about amending the terms of the purchase and sale agreement to provide for a further extension and related accommodations.

Closed Session

It was moved by Manager Olson, seconded by Manager Miller to move into closed session for the purpose of discussing the terms of sale of 325 Blake Road in Hopkins. Upon vote, the motion carried, 6-0.

Whereupon the Board of Managers went into closed session.

The Board of Managers returned to open session.

BOARD INQUIRIES, ISSUES, AND IDEAS

None.

STAFF UPDATES

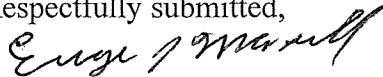
Administrator's Report

Mr. Wisker stated that he had no report this evening.

Adjournment

There being no further business, President White declared the meeting of the Board of Managers adjourned at 10:08 p.m.

Respectfully submitted,



Eugene Maxwell, Secretary