

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

July 13, 2017

CALL TO ORDER

The meeting of the Minnehaha Creek Watershed District Board of Managers was called to order by President Sherry White at 6:50 p.m. on July 13, 2017, at the MCWD offices, 15320 Minnetonka Boulevard, Minnetonka, Minnesota.

MANAGERS PRESENT

Sherry White, Bill Becker, William Olson, Kurt Rogness, Jessica Loftus.

MANAGER ABSENT

Brian Shekleton, Richard Miller.

DISTRICT STAFF AND CONSULTANTS PRESENT

Lars Erdahl, Administrator; Yvette Christianson, Water Quality Manager; Kelly Dooley, Water Quality Manager; James Wisker, Planning and Projects Director; Chris Meehan, Engineer; Michael Welch, Counsel.

MATTERS FROM THE FLOOR

None.

APPROVAL OF AGENDA

Manager White stated that in the absence of Policy and Planning Committee chair Richard Miller there will be no report from the committee. *Manager Rogness moved and Manager Olson seconded approval of the agenda as amended. Upon vote, the motion carried 5-0.*

CONSENT AGENDA

Manager Rogness moved and Manager Olson seconded approval of the consent agenda, consisting of approval of the minutes of the June 22, 2017, meeting of the Board of Managers. Upon vote, the motion carried 5-0.

REGULAR AGENDA

Board, Committee and Task Force Report

President's report: President White reported that she attended an Arden Park community meeting as well as the Minnesota Association of Watershed Districts special meeting and tour, and that she intends to attend the two upcoming 50th anniversary events as well as the Metropolitan MAWD meeting on Tuesday July 18. She said she may also attend another upcoming Arden Park community meeting. She observed that Watershed Heroes nominations are due. Finally, she noted that comments on the District's comprehensive plan are incoming now. She proposed that the board discuss what exactly it would like to get from the revised and updated Minnesota Association of Watershed Districts at an upcoming meeting, and proposed that the managers rotate representation at the Metro MAWD meetings. The managers concurred in rotating representation at Metro MAWD. A schedule of attendance will be distributed for such purpose.

Manager Olson provided a report from the MAWD special meeting and tour, noting that it was a very informative tour in and around the Bemidji area. He said the group toured a Civilian Conservation Corps camp, which was not directly related to watershed matters but was historically interesting. He said that the changes to the organization's bylaws and manual of operations and procedures were adopted virtually unanimously. Those few who had reservations were engaged after the vote and their concerns addressed. He stated schedule of dues adopted was the lowest-cost version that was distributed for consideration. No organization will pay more than \$7,500. He said that the whole meeting and tour were very well prepared and organized, and that the new organizational structure is ready to go. Manager Rogness added that the CCC camp was a highlight of the tour, as was research that a professor from Bemidji State University presented on the relationship between beaver dams and fish populations. He also stated that researchers are finding that white pelicans greatly prefer to eat walleye. Manager White added that the birds have a negligible effect on walleye populations.

President White noted that the schedule of upcoming meetings and events is as printed in the agenda.

Public Hearings and Presentations

E-Grade Update

Yvette Christianson provided an overview and update on the development of the E-Grade resource assessment and grading system. She stated the purpose of E-Grade is to provide a comprehensive and multifaceted review of the quality of the District's water resources, because simple grades don't tell the whole story. She stated that the grading system accounts not just for deep lakes in the watershed but also shallow lakes, upland areas,

wetlands and streams. She stated that using the frameworks that the District has developed over the years, staff is working with Joel Bischoff at Wenck Engineering to improve its grading and assessment system. She stated that during this phase of development staff and the engineers at Wenck are focusing on the Schutz Lake, Six Mile Creek and Minnehaha Creek subwatersheds because they provide examples of each of the types of catchment areas within the watershed. She stated that the development of E-Grade is in phase II, and focused at this point on hydrology and groundwater. She stated that the program will be completed in December 2017 and she introduced Joel Bischoff to provide the managers with more detail on the hydrology assessment and groundwater grading system. Mr. Bischoff described the ecosystems-services model that the E-Grade program is based on, noting that it is a framework that has been embraced worldwide in water resources science. Mr. Bischoff stated that the work the District is doing with this program will help it comply with new regulatory programs and initiatives being developed by state agencies – most notably the Minnesota Pollution Control Agency. In response to a question from Manager Olson, Mr. Bischoff stated that usually the Pollution Control Agency will write the standards that are used in a regulatory framework, but MPCA it will get expertise from the Department of Natural Resources for things like plants. Mr. Bischoff focused on groundwater, noting that there are very few wetlands in the watershed that actually contribute to groundwater and more often wetlands contribute to surface water resources. He stated that the level of imperviousness in the Minnehaha Creek subwatershed is essentially starving the groundwater system. He stated that a principal goal of E-Grade is to provide the board of managers with information it needs for discussions on improvements that need to be made. He stated that next steps in the development of the E-Grade program will be to try to figure out how to report its findings in a clear and readily understood way.

In response to a question from Manager Olson, Ms. Christianson said that the intention is to update subwatershed grades on a three-year rotation. Manager Olson said that it will be important to see what kind of change is resulting from projects and other work the District is doing and to have this change represented in visual ways that are easily and readily understood. Ms. Christianson stated that staff is working closely with the District communications and education department to provide the information in a readily useable and publicly understood manner.

The managers discussed with Mr. Bischoff the number and types of data points that have been collected for purposes of E-Grade and the potential for the work to require expansion of the hydrology department. Mr. Bischoff noted that the District is trying to use existing state data to the greatest extent possible to populate the E-Grade system. He said that with regard to wetlands there are new parameters being developed and utilized, including rapid floristic quality for wetland assessment. He stated that a purpose of the E-Grade program is to grow data organically, with existing data-collection contributing to the development of the program. He stated that the work will position the District on the cutting edge of understanding its water resources and making decisions based on sound

science. In response to a question from Manager Becker, Mr. Bischoff stated that the District is using the Metropolitan Council's Metro Model 3 for delineation of groundwater subwatersheds. And in response to an inquiry from Michael Welch, Mr. Bischoff said that the District is mindful of managing the risk of making itself a target for new state regulatory program rollout by virtue of its being well supplied with data. Chris Meehan noted that while there is some risk of the District being targeted for pilot development of regulatory programs because of the data, having the data also makes the District a frontrunner for possible grant funding.

Ms. Christianson stated that the staff and consultant intend to publish the E-Grade program as a standard.

As to a question from Manager Loftus, Ms. Christianson and Ms. Dooley noted that they are working with the communications department to develop the public interface for the E-Grade system. Ms. Dooley noted that there is an appetite among certain elements of the public for additional more detailed data on lake-water quality and water resources assessment. Staff will be doing some testing and graduated roll out to make sure that the system works. Manager Loftus noted the importance of showing how the old grades translate to the new system. She said that realtors will be a key interest group for the lake-grade system. Ms. Dooley said that the hydrology department has developed cost estimates for the acquisition and analysis of data being gathered for purposes of E-Grade. The managers thanked Mr. Bischoff and Ms. Christianson for their presentation.

Research and Monitoring Report and Wiski Data Management System Demonstration

Ms. Dooley provided the annual hydrology research and monitoring report with a focus on lakes and streams in favor of aquatic invasive species or E-Grade, on which the managers just received a presentation. She said that 2016 was the wettest year the District has on record but that the watershed did not see a great deal of flooding because of the distribution and timing as to when the rainfall was received. Ms. Dooley provided subwatershed-based data from research and monitoring efforts, and provided highlight findings. She said monitoring of Lake Nokomis showed evidence that the biomanipulation work that the District has done in the past is bringing about improvement in water quality. The phosphorous concentrations in Nokomis are improving. She said total phosphorous and soluble phosphorous levels are showing a decrease in response to the Minnehaha Creek remediation work the District has done, even under conditions of high flow. She said that sediment loading is also decreasing. She said that 28 lakes in the watershed are impaired and that of those, five are starting to meet standards. Six other lakes have not been listed as impaired by the state but are not meeting standards. In response to a question from Manager Olson, Ms. Dooley said she would follow up with information on whether water quality in Lake of the Isles is improving. In response to a question from Manager White, Ms. Dooley said that the reduction in phosphorous in Dutch Lake cannot be attributed to the iron-sand best

management practice the District installed because the measurement is from inflow into the lake not the outflow that is treated by the iron-sand facility. Ms. Dooley responded to numerous further questions from managers about specifics of the research and monitoring report.

Ms. Dooley gave a demonstration of the Wiski Data Management System. She said that the software purchased by the District last year to replace the existing Excel spreadsheet-based system saves District staff considerable time in complying and analyzing data. Ms. Dooley provided the managers with a demonstration of how the system compiles and reports data and how staff queries the software for reports summarizing District findings and information. The managers thanked Ms. Dooley for her presentation.

STAFF UPDATES

Committee Structure Update

Lars Erdahl provided the managers with a memorandum showing a possible new committee structure and schedule for meetings. He said that the present two-committee structure with occasional Executive Committee meetings was established in 2013 in response to a recommendation from the District's organizational-management consultant. He stated that the simplified committee structure implemented at the time was meant to not only replace the numerous specific committees the District had established but to feed information to Board of Managers meetings and decisions. He stated that since then the operation of the committees has been evolving, and the Planning and Policy Committee has come to be attended by all of the managers with some frequency, especially during the recent plan development. He stated that the existing Operations and Programs Committee has tended to focus on budget for work that has been developed with the Policy and Planning Committee. Mr. Erdahl stated that he recommends that the managers move to a committee-of-the-whole structure that would allow the managers to work on new and developing ideas in a more fluid manner. He said the distinction between workshop meetings of the managers, at which actions are not taken, and the regular meeting on the fourth Thursday of the month be essentially eliminated. He stated that the committee could meet before one or the other or both of the two board meetings, which is more efficient for staff. Manager Loftus said that she likes Mr. Erdahl's concept and favors the revision of the structure and schedule for meetings but would also like to see a quarterly financial presentation to the managers. In response to an inquiry from Manager Becker, Mr. Erdahl noted that as opposed to the monthly financial data and invoices that the managers receive, the quarterly report would involve a summary of performance against budget categories by program. The managers concurred in Mr. Erdahl's proposed structure and schedule.

Administrator's Report

Mr. Erdahl reported on a meeting focused on the District's human resources plan progress two weeks ago with the District's human resources consultant. He set forth a timeline for action by the managers on the plan, proposing that the consultant come to the next meeting or at a special meeting soon to make a presentation of the consultant's final report. He said he thought it would be particularly useful for the consultant, Ann Antonsen from Springsted, to be present for the presentation and he noted that staff has been using the results of the human resources analysis in preparing for 2018 budget and planning. He stated that implementation of the human resources recommendations would be set by the end of this month. Manager Olson stated that it would be important for the consultant to present both of the alternative human resources models that are discussed in the human resources report and he would like to see each would look in terms of an organizational chart. Manager Becker concurred. Manager Loftus reported on her efforts to come up to speed with the development of the human resources report. She stated that it is important that the managers receive the final report several days in advance of the board discussion. Mr. Erdahl noted that he would ensure that the report is timely delivered.

Mr. Erdahl highlighted the governor's planned 25-by-25 town hall meetings on water topics across the state and noted that it would an opportunity for the Minnesota Association of Watershed Districts to highlight watershed interests. One of the 25-by-25 meetings is in Minneapolis on September 26.

He said that the Metropolitan Council's plan for updating the Hiawatha tunnel has been revised in response to comments from the public and will be coming forward sometime soon.

Mr. Erdahl said that the District received quite of bit of favorable media coverage for its work on zebra mussel research, including a story carried the *San Francisco Chronicle*. He reiterated that the Watershed Heroes nominations forms are out and noted District cleanup events on July 23 and August 19.

He reported that the Orono Big Island Committee had a recent meeting and that staff are intending to attend the next meeting and make a connection with staff at the city in the meantime. In response to inquiries from Manager Becker, Mr. Erdahl stated that the city and committee are interested in knowing what they can and can't do under the District's conservation easement. Manager Becker noted that he is concerned with the District establishing any kind of precedent for what someone can do under a conservation easement that isn't consistent with the District's intentions and goals. Manager Loftus added that she has some concern that the citizens and committee working on the Big Island Park redevelopment are going to get ideas for uses that are not consistent with the District's conservation easement and the District will be in the unenviable position of

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having to tell them down the road that their ideas cannot be realized. Manager Loftus said the District should advise the committee and citizens what the options are and what the pros and cons of each option are in a proactive way, rather than being reactive. Mr. Erdahl said that the committee and citizens are still brainstorming ideas and so far staff has taken a somewhat passive role, trying to avoid squashing any ideas or creativity. He noted that staff he and staff will connect soon with city staff. Manager Loftus suggested that Mr. Erdahl and District staff make a presentation to the committee. Manager Olson underscored his feeling that Mr. Erdahl should indeed get directly engaged in the development of ideas for Big Island. The managers directed Mr. Welch to provide the memo recently prepared on the topic, along with the easement, to all managers.

ADJOURNMENT

There being no further business, the meeting of the Board of Managers adjourned at 9:00 p.m.

Respectfully submitted,



Kurt Rogness
Secretary