

47 ***\$27.00, and payment of \$1,500 to Brush Dental Studio for permit 21-129; the Wire***
48 ***Check Register in the amount of \$2,461.58 to Bremer Bank for office building***
49 ***refinance; and the following resolution:***

50

51 ***Resolution 23-064: 2023 American Geophysical Union Conference Attendance***

52

53 ***NOW, THEREFORE, BE IT RESOLVED, that the MCWD Board of Managers***
54 ***authorizes four (4) staff to attend the American Geophysical Union National***
55 ***Conference for a cost not to exceed \$9,500 for registration, travel, and***
56 ***accommodations.***

57

58 ***Upon vote, the motion carried 7-0.***

59

60

61 **BOARD, COMMITTEE AND TASK FORCE REPORTS**

62

63 President's Report: President White reported that she had attended a briefing for the
64 Carver County Board of Commissioners with Manager Olson and Mr. Wisker, and the
65 quarterly Metro Watersheds meeting. She asked Manager Olson and Manager Maxwell
66 to provide further reports.

67

68 Manager Olson reported that Mr. Wisker's presentation to Carver County included the
69 MCWD's budget, projects completed, and plans for upcoming projects, as well as
70 opportunities to coordinate with local communities on development opportunities. He
71 noted that the presentation was well received by the commissioners.

72

73 Metro Watersheds Quarterly Meeting Report: Manager Maxwell reported that the
74 Metropolitan Council provided information on water policy research and other state
75 agencies provided updates.

76

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

79

80 **ACTION ITEMS**

81

82 Resolution 23-065: Authorization to Release Proposed Rule Revisions for Public
83 Comment Period

84

85 Ms. Abigail Ernst appeared before the Board of Managers to review the request for board
86 action. She traced the purpose of the rules revision undertaking, the process of
87 engagement with the citizens advisory committee, technical advisory committee, and
88 Operations and Programs Committee of the Board of Managers. She summarized the
89 proposed rule revisions and requested that the Board authorize release of the proposed
90 changes for a 45-day public comment period.

91

92 ***It was moved by Manager Olson, seconded by Manager Hejmadi to adopt Resolution***
93 ***23-065 as follows:***

94

95 ***NOW, THEREFORE, BE IT RESOLVED that the MCWD Board of Managers***
96 ***authorizes the District Administrator to release the proposed rule revisions for***
97 ***public comment in accordance with Minnesota Statutes section 103D.341, and***
98 ***schedule and issue notice of a public hearing on the revisions as part of the***
99 ***January 11, 2024 meeting of the Board of Managers.***

100

101 In response to a question from Manager Olson, Ms. Ernst reviewed how the original
102 permit would be referenced for individual fast track dredging permits. Manager Olson
103 asked whether comments could be made on the proposed rule revisions through the
104 MCWD web site, and Ms. Ernst noted that email would be an easier process. In response
105 to a question from Manager Maxwell, Ms. Ernst noted that there has been 100%
106 engagement by the cities in the watershed.

107

108 ***Upon vote, the motion carried 7-0.***

109

110 Resolution 23-066: Second Amendment to the 325 Blake Road Purchase and Sale
111 Agreement

112

113 Mr. Michael Hayman appeared before the Board of Managers to review the status of
114 extensions to Alatus pursuant to the purchase and sale agreement for 325 Blake Road.
115 He noted that the second extension granted under the agreement would expire on
116 November 3, 2023. Manager Miller noted that he intended to introduce a resolution to
117 direct staff to work on other project priorities.

118

119 Mr. Hayman noted the presence of real estate counsel Alex Sellke and consultant Chuck
120 Lutz. Upon recommendation of Mr. Smith, ***it was moved by Manager Olson, seconded***
121 ***by Manager Maxwell to move into closed session for the purpose of discussing the***
122 ***possible amendment of terms for the sale of 325 Blake Road in Hopkins. Upon vote,***
123 ***the motion carried, 7-0.***

124

125 Whereupon the Board of Managers went into closed session. The Board of Managers
126 returned to open session.

127

128 ***Manager Miller introduced the following resolution, seconded by Manager Loftus:***

129

130 ***Direction to administrator for staff to discontinue work on 325 Blake Road and***
131 ***reassign to other priorities***

132

133 ***WHEREAS, in 2011 the District acquired 325 Blake Road, which was home to***
134 ***a large cold storage warehouse, and envisions the 17 acre site as a key piece of***

135 *the Minnehaha Creek Greenway, which will provide 109 acres of a connected*
136 *corridor of restored creek and habitat through St. Louis Park and Hopkins,*
137 *providing more opportunities for the public to view and access Minnehaha*
138 *Creek while improving water quality;*

139
140 *WHEREAS, the District's approach to the redevelopment of 325 Blake Road*
141 *has focused on partnerships, including working in partnership with the city of*
142 *Hopkins, Hennepin County, Southwest LRT Community Works, and*
143 *community groups like the Blake Road Community Collaborative; portions of*
144 *this project are funded by the Minnesota Public Facilities Authority, the Clean*
145 *Water, Land, and Legacy Amendment, Hennepin County, and Metropolitan*
146 *Council;*

147
148 *WHEREAS, the District's vision for 325 Blake Road was informed by a robust*
149 *community input process. The community identified wanting a sustainable*
150 *development that: features Minnehaha Creek; allows public access to the creek*
151 *and adjoining Minnehaha Creek Greenway, including Cottageville Park; and*
152 *transit-oriented elements, including retail and parking and mixed-income*
153 *housing;*

154
155 *WHEREAS, the District completed demolition of the cold storage facility in*
156 *2018, and has devoted considerable time and resources to ongoing planning for*
157 *the redevelopment of the site, including multiple meetings and discussions with*
158 *Alatus; these discussions indicate that Alatus' assessment of market conditions*
159 *and its access to capital are such that it is not ready to proceed with the*
160 *development at this time;*

161
162 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*
163 *Watershed District Board of Managers directs the District administrator to*
164 *redirect staff currently assigned to the 325 Blake Road project to work on other*
165 *District priorities until such time as the administrator determines that renewed*
166 *work with Alatus would be productive and lead to real, substantial progress in*
167 *the redevelopment of the site.*

168
169 *It was moved by Manager Hejmadi, seconded by Manager Maxwell to table this*
170 *resolution. Upon vote, the motion carried 7-0.*

171
172 *It was moved by Manager Maxwell, seconded by Manager Loftus, to adopt Resolution*
173 *23-066: Second Amendment to the 325 Blake Road Purchase and Sale Agreement as*
174 *follows:*

175
176 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*
177 *Watershed District Board of Managers hereby approves the Second Amendment*
178 *to the 325 Blake Road Real Estate Purchase Agreement and authorizes the*

179 *President to execute the amendment with any non-substantive changes in*
180 *consultation with legal counsel.*
181

182 *It was moved by Manager Loftus, seconded by Manager Miller to amend the attached*
183 *Second Amendment to the 325 Blake Road Real Estate Purchase Agreement at Section*
184 *5 to provide that the sum for the additional extension payment from additional earnest*
185 *money be \$100,000 instead of \$50,000. Upon vote, the motion on the amendment*
186 *carried, 7-0.*
187

188 *Upon roll call vote, the motion to adopt the resolution as amended carried 6-1 as*
189 *follows:*
190

191 *White: Aye*
192 *Olson: Aye*
193 *Loftus: Aye*
194 *Miller: Nay*
195 *Hejmadi: Aye*
196 *Maxwell: Aye*
197 *Sando: Aye*
198

199 **BOARD DISCUSSION ITEMS**
200

201 None.
202

203 **BOARD INQUIRIES, ISSUES, AND IDEAS**
204

205 Manager Miller noted for the record that he has engaged Stantec to address flooding
206 issues at his residence.
207

208
209 **STAFF UPDATES**
210

211 **Administrator's Report**
212

213 Mr. Wisker reported on the following matters:
214

215 1. Water levels: Precipitation year to date is 26.5 inches, about 2 inches below normal.
216 Precipitation in October has been 3.5 inches, about 1.4 inches above normal. Lake
217 Minnetonka is at elevation 928.49 and the creek is flowing 85 cubic feet per second at
218 Lake Hiawatha.
219

220 2. Minnehaha Preserve Boardwalk: Since the defective work was first identified, staff
221 has worked with counsel to consistently communicate in writing clear expectations for
222 resolving the defective work through the process identified in the contract. The

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223 contractor, JTS, has proposed to correct nine of the eleven Defective Work Categories to
224 the original design specifications. For the remaining two Defective Work Categories, JTS
225 has proposed engineering solutions to these defective issues. To do so, in accordance
226 with the contract documents, JTS must provide engineer drawings and calculations for
227 SRF's review and conformance with the design.

228
229 JTS is responsible for submitting the proposed engineering solutions to St. Louis Park for
230 State code compliance. MCWD has applied proactive pressure to try to drive pace,
231 however, the contract documents have a clear process that must be followed. Meanwhile,
232 MCWD has communicated the costs incurred to date by SRF and legal counsel to review
233 the defective work and proposed corrections; as well as the liquated damages that have
234 been accruing since the project completion date of June 30, 2023.

235
236 MCWD has communicated to JTS that it is in JTS' best interest to demonstrate efficient
237 progress, complete the work with good quality, and complete the corrections at the
238 earliest time. Today MCWD and SRF were informed that JTS retained an attorney.
239 MCWD staff will work with legal counsel to outline the facts and orderly process that
240 MCWD has run to date; and have counsel provide that to JTS' attorney. MCWD staff are
241 hopeful that JTS' attorney will help JTS find a critical path to complete the work.

242
243 3. Carver County Presentation: As noted by President White and Manager Olson, Mr.
244 Wisker presented an update to the Carver County Board of Commissioners on the Six
245 Mile Creek Halsted's Bay projects, which was warmly received.

246
247 4. Carver County Transportation Improvements: the county has a series of significant
248 infrastructure improvements planned as part of the Arboretum Area Transportation Plan,
249 including Trunk Highway 5, County Road 11, and 82nd Avenue. MCWD is reaching out
250 in partnership to address wetland mitigation and stormwater management issues for
251 Highway 5. MCWD has noted Lake Zumbra residents concern for upsizing the culvert
252 between Lake Zumbra and the Auburn wetland. Staff have engaged with the City of
253 Victoria engineer and she is available to present to a committee meeting in the future.

254 5. A steering committee meeting has been scheduled for December 6 for the partnership
255 of the City of Minneapolis, Minneapolis Park & Recreation Board, and MCWD. A
256 cooperative agreement is being prepared for discussion at the meeting, along with plans
257 for three pilot projects.

258
259 6. Follow up on Taft Alum Injection Project: staff have continued discussions with the
260 City of Richfield seeking to bring the project into performance levels within designed
261 targets. At MCWD's request, Barr Engineering was retained by the city to evaluate the
262 project's ability to meet the targets. Barr's report is near completion and Mr. Wisker will
263 be meeting the director of public works tomorrow and to plan next steps.

264
265 7. Conferences: MCWD staff have attended five different conferences recently and are
266 bringing specific learnings to apply to our work. Interesting questions at the University

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267 of Minnesota Water Resources conference on the Morningside project included potential
268 downstream impacts.

269

270 8. Personnel: recent hires include Sophia Green, Planner-Project Manager; Maggie
271 Menden, Permitting Assistant; Tessa Vacek, Administrative Services Manager; and Maia
272 Irvin, Communications Coordinator. An internal process is being explored to fill another
273 planning-project manager position.

274

275 **Adjournment**

276

277 There being no further business, President White declared the meeting of the Board of
278 Managers adjourned at 8:59 p.m.

279

280 Respectfully submitted,

281

282

283 Eugene Maxwell, Secretary

284

285