

47 **CONSENT AGENDA**

48

49 *It was moved by Manager Olson, seconded by Manager Hejmadi, to approve the items*
50 *on the Consent Agenda consisting of approval of the May 23, 2024, Board meeting*
51 *minutes, and the following resolution:*

52

53 ***Resolution 24-033: Authorization to Execute a Contract with WSB for Interim GIS***
54 ***Support***

55

56 ***NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek***
57 ***Watershed District Board of Managers hereby authorizes the District***
58 ***Administrator to execute a contract with WSB for interim GIS support, on***
59 ***advice of counsel, in an amount not to exceed \$14,500.***

60

61 ***Upon roll call vote, the motion carried 6-0 as follows:***

62

63 Hejmadi: Aye
64 Loftus: Absent
65 Sando: Aye
66 Miller: Aye
67 Olson: Aye
68 Maxwell: Aye
69 White: Aye

70

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

72

73 President's Report: None.

74

75 Operations and Programs Committee: Manager Olson reported that the Committee met
76 earlier in the evening and received a presentation on potential land acquisition
77 opportunities along the Minnehaha Creek corridor and an opportunity screening tool
78 using GIS data layers. These opportunities will be evaluated along with other project
79 priorities in the coming years.

80

81 Citizens Advisory Committee & Board of Managers Field Trip: Manager Sando
82 expressed his gratitude for the staff work for the field trip. Manager Olson expressed his
83 appreciation for the opportunity to connect with the members of the CAC.

84

85 President White noted the upcoming meeting schedule presented in the agenda.

86

87 **PERMITS REQUIRING A VARIANCE OR DISCUSSION**

88

89 None.

90

91 **PUBLIC HEARINGS & PRESENTATIONS**

92

93 None.

94

95 **ACTION ITEMS**

96

97 **Resolution 24-034: Authorization to Distribute Minor Plan Amendment and Notice of**
98 **Public Hearing to Consider Ordering the Calvary Church Project**

99

100 Ms. Kate Moran appeared before the Board of Managers to review the request for board
101 action. She reviewed the background of the Land & Water Partnership program, which
102 provides a framework for the MCWD to be responsive to project opportunities arising
103 from changes on the landscape. Ms. Moran noted that over the last year, MCWD and the
104 City of Deephaven have worked together to seek opportunities for measurable, regional,
105 and cost-effective water resource improvements within the City. As part of the
106 partnership, MCWD provided a concept level, city-wide scan of potential opportunities
107 and the Calvary Church Project was identified as the most cost-effective opportunity to
108 improve water quality and address localized flooding concerns.

109

110 The Project ultimately drains to Lake Louise, a wetland which discharges to Lake
111 Minnetonka. The Project's proposed best management practice (BMP) relies primarily on
112 topography and surface drainage to direct water to the proposed underground infiltration
113 system. The largest captured area will be from the Calvary Church site and Montgomerie
114 Avenue, with small portions of residential runoff also potentially reaching the system.
115 The City submitted an application under the LWP Program on February 1, 2024,
116 requesting funding support of \$465,750, or 75% of the water resource elements, the
117 maximum allowable. MCWD staff reviewed the submittal and requested additional
118 clarifying information. The City's most recent feasibility analysis, received on March 22,
119 2024, included a reduced drainage area, revised modeling information, water resource
120 benefits, and cost analysis information. Based on this information, the water quality
121 benefit for the project decreased from the initial concept estimate of 8.3 lbs/yr of TP to
122 5.4 lbs/yr due to a reduction in drainage area that can be routed to the BMP. Similarly,
123 the life-cycle cost/benefit shifted from an estimated \$2,200/lb of TP to \$5,000/lb.

124

125 With these revisions to the proposed Project, Ms. Moran noted that the MCWD staff
126 recommends providing funding support of water resource-related elements not-to-exceed
127 \$125,000, or approximately 20% of the water resource elements. As of May 6, 2024, the
128 City Council continues to support the Project moving forward while the City seeks
129 additional funding sources. Ms. Moran noted that in addition to the potential LWP
130 support, the City has received \$49,000 from Hennepin County's 2023 Opportunity Grant.
131 She reviewed the process for the Project to be amended into the MCWD Water
132 Management Plan and the public hearing process to consider ordering the Project.

133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175

It was moved by Manager Olson, seconded by Manager Hejmadi, to adopt Resolution 24-034: Authorization to Distribute Minor Plan Amendment and Notice of Public Hearing to Consider Ordering the Calvary Church Project, as follows:

NOW THEREFORE BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorizes the District Administrator to distribute the proposed plan amendment, with any further non-substantive changes, as a minor plan amendment for review of agencies and interested parties in accordance with Minnesota Statutes §103B.231, Minnesota Rules 8410 and the WMP;

BE IT FURTHER RESOLVED that the Board directs the District Administrator, in alignment with the plan amendment procedure, to distribute the feasibility plan for the Project and notice a public hearing for the Board's consideration of ordering, in accordance with Minnesota Statutes §103B.251; and

BE IT FINALLY RESOLVED that Board ordering of the Project and approval of LWP funding remains subject to conditions including confirmation of City sources of funding and City acquisition of rights for Project construction and maintenance, and a Project funding agreement between the City and the District.

In response to a question from Manager Olson, Ms. Moran noted that the church's contribution to the Project is the land. Manager Maxwell asked about the future project maintenance responsibilities, and Ms. Moran noted that this issue would be discussed with the City of Deephaven in the context of a project funding agreement.

Upon roll call vote, the motion carried 6-0 as follows:

Hejmadi: Aye
Loftus: Absent
Sando: Aye
Miller: Aye
Olson: Aye
Maxwell: Aye
White: Aye

BOARD DISCUSSION ITEMS

325 Blake Road Restoration and Redevelopment Update

176 Mr. Michael Hayman appeared before the Board of Managers to provide an update on the
177 project. He noted that a month ago, the Board was advised that Alatus was awaiting a
178 capital finance decision from investor Kayne Anderson. Since that time, Kayne
179 Anderson and Alatus have been in discussion. MCWD staff learned earlier in the day
180 from Alatus that Kayne Anderson has decided to forego this investment opportunity.

181
182 Staff will meet with its development advisor team to review this situation and bring more
183 information to the Board of Managers at its June 27 meeting. MCWD staff are still
184 seeking with Hopkins staff to schedule a Liaisons meeting to review this situation.

185
186 In response to a question from Manager Hejmadi, Mr. Hayman noted that staff has been
187 preparing for a variety of scenarios, including the present situation. Mr. Wisker noted
188 that 17 days remain in the 90 day period to close under the Purchase and Sale Agreement.
189 In response to a question from Manager Miller, Mr. Hayman stated that he does not
190 believe that Alatus may transfer their development rights to another party. Manager
191 Maxwell asked, and Mr. Hayman confirmed, that the townhome part of the project is
192 ready to proceed, though there are related infrastructure considerations.

193
194 **BOARD INQUIRIES, ISSUES, AND IDEAS**

195
196 Manager Hejmadi requested a briefing on plans for response to potential flooding.

197
198 **STAFF UPDATES**

199
200 **Administrator's Report**

201
202 Mr. Wisker reported on the following items:

- 203
204 1. Rain continues above normal averages. Lake Minnetonka is at elevation
205 929.55. The Gray's Bay Dam is currently discharging at 150 cubic feet per
206 second. At Hiawatha, Minnehaha Creek flow peaked last evening at 180
207 cubic feet per second, and as of today it is back down to 160 cfs. Rain events
208 are forecast in the coming week.
209
210 2. Late last week, MCWD staff Gabe Sherman received an email message from
211 a Hopkins resident expressing concern that the 100 year old oak trees at the
212 planned nature play site at 325 Blake Road had been cut down. Mike Hayman
213 immediately traveled to the site that evening to confirm that in fact that the
214 trees had been cut down. Staff later learned that the Hopkins City Forester
215 was concerned about the disease condition of the trees, and removed them,
216 apparently not aware that the trees were not located on City property. The
217 MCWD had actively been attending to the condition of the trees and they
218 were integral to the MCWD's site planning and design for 325 Blake Road.

219 Staff will pursue this further, including exploring what compensation may be
220 appropriate from the City. Mr. Wisker asked if there were any questions.
221 Managers Miller and Hejmadi said that their thoughts were best not expressed
222 in public. Manager Olson noted that, having worked with the City as a team,
223 it seems inconceivable that City staff would come onto MCWD property and
224 cut down 100-year-old oak trees. He said that he hoped a letter would be sent
225 expressing these concerns to the City and seeking compensation for the
226 MCWD's resulting costs and impact on property value. Manager Olson
227 requested that this letter be widely distributed to all concerned. Mr. Wisker
228 said that City development staff shared these concerns. President White said
229 that she is exchanging telephone messages with the mayor.
230

231 3. The MCWD developed a partnership with Duke Realty at the West End retail
232 mixed use site in St. Louis Park in about 2007. Stormwater management
233 chambers were key to achieving significant reductions in phosphorus and
234 runoff and led to de-listing Brownie Lake. Other slot drains contributed to
235 this outcome. One other part of the project, a small demonstration green roof,
236 is now at the end of its useful life. The current owner has asked to address
237 this situation; with its nominal stormwater management role, other practices
238 seem more appropriate, such as communications about the stormwater
239 management features of the site. Mr. Wisker will bring further information
240 and recommended action at a future board meeting. Manager Miller noted
241 that Temple, the current owner, seems to be progressive in its approach to
242 development and should be a good partner in a creative approach.
243

244 4. The Minneapolis Steering Committee meeting is set for July 23 to review the
245 proposals in response to the RFP for feasibility study of three projects. The
246 Committee will also address a shared communications plan and a preliminary
247 draft management plan for the Cedar-Brownie management unit.
248

249 5. In response to Manager Hejmadi's question about flood action planning, part
250 of the MCWD's climate action framework is to address the MCWD's role and
251 action steps in flooding events. Staff from project maintenance and policy
252 planning are working on a scope of this effort and expect to bring this scope to
253 the Board of Managers in late July. Manager Miller asked about ways to
254 reach out to landowners along the creek to facilitate communication. Mr.
255 Wisker noted current email communications addressing water conditions, and
256 a mailer to owners of identified flood-prone properties could be pursued.
257

258 **Adjournment**

259

260 There being no further business, President White declared the meeting of the Board of
261 Managers adjourned at 7:48 p.m.

Minutes of the Regular Meeting
Minnehaha Creek Watershed District
Board of Managers
6/13/24

262
263 Respectfully submitted,
264
265
266 Eugene Maxwell, Secretary

DRAFT