

47 **Loftus:** *Aye*
48 **Hejmadi:** *Aye*
49 **Maxwell:** *Aye*
50 **Sando:** *Aye*
51 **White:** *Aye*

52
53

54 **CONSENT AGENDA**

55

56 *It was moved by Manager Hejmadi, seconded by Manager Miller, to approve the items*
57 *on the Consent Agenda consisting of approval of the March 13, 2025, Board meeting*
58 *minutes, approval of the General Check Register, including check numbers 42654*
59 *through 42656 in the amount of \$1,684.91, electronic funds withdrawals of*
60 *\$278,205.58, credit card charges of \$4,458.30, managers per diems and*
61 *reimbursements of \$2,181.58, employee reimbursements of \$1,216.97, and payroll*
62 *electronic funds withdrawals and disbursements of \$173,604.24, for a total of*
63 *\$461,351.58; the Surety Check Register including payment of \$30.00 in fees to Bremer*
64 *Bank; wire transfer of \$0; and the following resolution:*

65

66 *Resolution 25-020: Authorization to Apply for BWSR Water Quality and Storage Grant*
67 *to Support Climate Action Framework Scenarios*

68

69 ***NOW, THEREFORE, BE IT RESOLVED** that the MCWD Board of Managers*
70 *hereby authorizes the District Administrator and staff to prepare and submit a*
71 *grant application for the BWSR Water Quality and Storage Grant to support*
72 *the identification and conceptual design of storage projects.*

73

74 *Upon roll call vote, the motion carried, 7-0 as follows:*

75

76 **Olson:** *Aye*
77 **Miller:** *Aye*
78 **Loftus:** *Aye*
79 **Hejmadi:** *Aye*
80 **Maxwell:** *Aye*
81 **Sando:** *Aye*
82 **White:** *Aye*

83

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

85

86 President's Report: President White reported that she and Manager Olson served as
87 delegates to the special meeting of Minnesota Watersheds to approve bylaws
88 amendments. These amendments included combining the Resolutions and Legislative
89 Committees, moving consideration of resolutions earlier at a special meeting for that

90 purpose, and members consideration of the legislative priorities at the annual meeting in
91 December. Afterward, Mr. Smith presented updates on the latest developments in the
92 Open Meeting Law and Data Practices.

93
94 Policy and Planning Committee Report: Manager Miller reported that the Committee
95 met earlier in the evening and had a workshop discussion on relationship management.

96
97 Citizens Advisory Committee Report: Manager Olson reported that the Committee met at
98 Minnetonka City Hall. Kate Moran gave a presentation on diversity, equity and
99 inclusion. Becky Christopher gave a presentation on flood management, focal
100 geographies, the Land & Water Partnership program, and evaluation frameworks.

101
102 President White noted the schedule of upcoming meetings presented in the agenda.

103
104 **PERMITS REQUIRING A VARIANCE OR DISCUSSION**

105
106 None.

107
108 **PUBLIC HEARINGS AND PRESENTATIONS**

109
110 None.

111
112 **ACTION ITEMS**

113
114 Resolution 25-021: Authorization to Enter into Four Contracts for Vegetation
115 Maintenance

116
117 Mr. James McDermond-Spies appeared before the Board of Managers to review the
118 request for board action. He provided background information, discussed how the quotes
119 were reviewed, timeline adjustments, and recommendations. He noted that the
120 maintenance and management goals have been refined for MCWD lands, and the number
121 of managed vegetation sites has increased to 29 sites. In February, the Board authorized
122 the release of requests for qualifications. The District received responses from four
123 vendors: Landbridge Ecological, Minnesota Native Landscapes (MNL), Native Resource
124 Preservation (NRP), and Natural Shore Technologies (NST). Two of the firms, MNL and
125 NRP, submitted quotes for all four sites. NST submitted for two sites, and Landbridge for
126 just one. The firms provided quotes for the RFQs as follows:

- 127
128 • Minneapolis Ponds and Arden Park Sites: Four Quotes; Landbridge, MNL,
129 NRP, and NST.
130 • Minnehaha Greenway and Headwaters Sites: Three Quotes; MNL, NRP, and
131 NST.
132 • Northern Upper Watershed Sites: Two Quotes; MNL and NRP.

- Southern Upper Watershed Sites: Two Quotes; MNL and NRP.

Staff reviewed each set of quotes and supporting documents submitted, considering references, previous work for the District, and price. In summary, staff found all contractors to have similar ability to offer high quality vegetation management services to the District. NST and MNL offer the most cost-effective delivery of these services. Staff recommends the selection of the following vendors for vegetation management:

- Natural Shore Technologies, Inc. for Vegetation Maintenance Services at Minneapolis Ponds and Arden Park sites contract;
- Natural Shore Technologies, Inc. for Vegetation Maintenance Services at Minnehaha Greenway and Headwaters sites contract;
- Minnesota Native Landscapes, Inc. for Vegetation Maintenance Services at Northern Upper Watershed sites contract; and
- Minnesota Native Landscapes, Inc. for Vegetation Maintenance Services at Southern Upper Watershed sites contract.

It was moved by Manager Miller, seconded by Manager Olson, to adopt Resolution 25-021: Authorization to Enter into Four Contracts for Vegetation Maintenance as follows:

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorizes the District Administrator, on advice of legal counsel, to execute Minneapolis Ponds and Arden Park sites contract for vegetation maintenance with Natural Shore Technologies, Inc., for a period of two years, and amount not to exceed \$80,000.00;

BE IT FURTHER RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorizes the District Administrator, on advice of legal counsel, to execute Minnehaha Greenway and Headwaters sites contract for vegetation maintenance with Natural Shore Technologies, Inc., for a period of two years, and amount not to exceed \$99,100.00;

BE IT FURTHER RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorizes the District Administrator, on advice of legal counsel, to execute Northern Upper Watershed sites contract for vegetation maintenance with Minnesota Native Landscapes, Inc., for a period of two years, and amount not to exceed \$138,700.00;

BE IT FURTHER RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorizes the District Administrator, on advice of legal counsel, to execute Southern Upper Watershed sites contract for vegetation

175 *maintenance with Minnesota Native Landscapes, Inc., for a period of two years,*
176 *and amount not to exceed \$140,100.00.*
177

178 In response to a question from Manager Maxwell, Mr. McDermond-Spies reviewed the
179 implementation schedule over the coming two years.
180

181 *Upon roll call vote, the motion carried, 7-0 as follows:*
182

183 *Olson: Aye*
184 *Miller: Aye*
185 *Loftus: Aye*
186 *Hejmadi: Aye*
187 *Maxwell: Aye*
188 *Sando: Aye*
189 *White: Aye*
190

191 **BOARD DISCUSSION ITEMS**
192

193 None.
194

195 **BOARD INQUIRIES, ISSUES, AND IDEAS**
196

197 None.
198

199 **STAFF UPDATES**
200

201 Administrator's Report
202

203 Mr. Wisker reported on the following items:
204

- 205 1. The City of Excelsior requested a letter of support for a grant application to the
206 Legislative Citizens Commission on Minnesota Resources for a shoreline restoration
207 project.
208
- 209 2. Manager Olson noted the recent community meeting for the East Auburn wetland
210 restoration project, the next community meeting will be for the County Road 6 project at
211 Orono City Hall on April 3.
212
- 213 3. MCWD, along with the Carver Water Management Organization attended the Pearson
214 Lake Association annual meeting. MCWD staff presented on the work in Victoria, the
215 work to delist Wassermann Lake, and related projects.
216

- 217 4. The partnership with the Minneapolis Park & Recreation Board and the City of
218 Minneapolis is progressing with an upcoming staff report, plans for a steering committee
219 meeting in late April or early May, followed by initiation of the design and construction
220 of the Cedar Avenue project and work on the Cedar Lake management plan.
221
- 222 5. The Minnesota Climate Adaptation Partnership last week notified MCWD and that it,
223 along with Hennepin County Emergency Management, has been awarded the 2025
224 Climate Adaptation Award. This partnership grew out of Brian Beck’s development of
225 the MCWD’s big data approach, working with the County’s forecasting system and the
226 MCWD’s RESNET system to track real-time precipitation data to guide Gray’s Bay dam
227 operations and flood mitigation decisions.
228

229 **ACTION ITEMS, CONTINUED**

230
231 **Resolution 25-019: Authorization to Issue Notice of Termination of the 325 Blake Road**
232 **Real Estate Purchase Agreement**

233
234 President White noted that this action follows the Board’s direction to staff on March 13
235 to prepare this notice of termination which the Board requested given the amount of time
236 that the developer has been out of compliance with the terms of the purchase and sale
237 agreement, the critical milestones being missed in June 2024, the end date of the last
238 extension to November 2024, knowing that after almost four years, MCWD must take
239 steps to implement its fully designed and funded work on the property that it owns. She
240 noted that the Board asked staff to reach out to our partners the City of Hopkins and
241 Alatus and they were present. President White expressed gratitude for them taking the
242 time to attend this meeting and for the partnership, collaboration and hard work to this
243 point. She invited representatives of the City of Hopkins and Alatus to offer comments
244 for the Board to consider in its deliberation. She noted that the Board’s consideration of
245 the terms of a purchase and sale agreement will be held in closed session. She asked
246 Board members to refrain from discussion or negotiation and that the comments offered
247 by the City and Alatus be considered in the closed session deliberations with legal
248 counsel. She invited people to come forward with comments.
249

250 Hopkins City Council Member Brian Hunke appeared before the Board of Managers and
251 reflected on the history of partnership with the City and MCWD. He noted that the work
252 has led to the accomplishments of Cottageville Park and the Chorus, which are a
253 testament to what we can achieve when we collaborate with our shared vision. He noted
254 that the Alatus project is a model development, and we are in a time of challenge in
255 access to capital financing. He urged patience and that the MCWD adopt the Fourth
256 Amendment to the Purchase and Sale Agreement proposed by Alatus, looking forward to
257 a time when all could celebrate success together.
258

259 Jason Gadd, former Mayor of Hopkins, appeared before the Board of Managers and
260 reflected on the strong partnership with the City and MCWD. Cottageville Park is a great
261 success but encountered challenges along the way. He expressed appreciation for the
262 MCWD's financial investment in acquiring 325 Blake Road and noted that the past
263 couple of years have been challenging. He noted that the City has been flexible and
264 urged the MCWD to allow Alatus an extension that they are looking for. He said that we
265 started this project together and we should finish it together. He said he has full faith in
266 Bob Lux and Alatus and urged extending the purchase agreement.

267
268 Rick Brausen, former City Council Member of Hopkins, appeared and noted this project
269 is the product of excellent collaboration between MCWD and Hopkins. He noted that we
270 had hit a wall before and started over. It was not always easy or fun but we got it done.
271 He recalled making the statement when Alatus was selected that if you have a problem,
272 then we have a problem. He noted that Mr. Lux and Alatus brought a project that excited
273 him and others. He hoped that Alatus could be given more time, because it will be worth
274 the wait and effort. He hoped that the spark of 'if you have a problem, I have a problem'
275 could be extended to Alatus. He said he had a fear that if this project goes away it will be
276 difficult to find excitement with another project. He noted that if this did not go well, it
277 would lead to a difficult conversation with the people of Hopkins.

278
279 Bob Lux, Alatus, said he was humbled to be present and listen to the Hopkins
280 representatives describe the work so far. He acknowledged that this was not an easy
281 request, and it is not an easy time for Alatus or other developers. He said the request is
282 for an extension to September and provided an unconditional release of the earnest
283 money. Alatus would advance work on design of infrastructure work. It is a good time
284 to obtain favorable bids on construction. Alatus is trying to do this project with a large
285 national nonprofit with robust capital capacity. Hopkins is next on their list. The
286 underwriter will probably be selected this week or early next week. This is the silver
287 bullet to get this project done. Mr. Lux said that the leader of this nonprofit told him that
288 he is totally committed to this project. He said that he appreciated MCWD's patience
289 with Alatus.

290
291 ***In response to President White's request, it was moved by Manager Miller, seconded by***
292 ***Manager Maxwell, for the Board to go into a closed session for the purpose of***
293 ***discussing the potential expiration or revision of terms of the Purchase and Sale***
294 ***Agreement of 325 Blake Road in Hopkins.***

295
296 Manager Maxwell expressed his appreciation for the 'reunion' with Hopkins
297 representatives. He recalled that this whole process started with work on Cottageville
298 Park in 2009, MCWD's acquisition of the 325 Blake Road site in 2011. He noted this
299 importance of working with the City for a larger vision for this site with many elements.
300 It's not easy to pursue this, involving difficult decisions with a lot of money involved. It

Minutes of the Regular Meeting
Minnehaha Creek Watershed District
Board of Managers
3/27/25

301 has been a long hard process since 2009, we need to keep working with all of the
302 partners.

303
304 President White expressed gratitude for the comments and updates on the project. She
305 stated that MCWD recognizes all the challenges the project has faced and appreciates the
306 efforts of the City and Alatus. MCWD as the landowner has focused on improving the
307 region's water, it has also recognized the City's vision for the property and the District
308 has worked hard to pursue that vision in spite of the obvious setbacks. She stated that the
309 comments would be carefully considered as the Board deliberates in closed session.

310

311 *Upon roll call vote, the motion carried, 7-0 as follows:*

312

313 *Olson: Aye*

314 *Miller: Aye*

315 *Loftus: Aye*

316 *Hejmadi: Aye*

317 *Maxwell: Aye*

318 *Sando: Aye*

319 *White: Aye*

320

321 The Board of Managers went into closed session.

322 The Board of Managers returned to open session.

323

324 President White noted that in the closed session the managers considered the proposal
325 that Alatus presented the previous day. After reviewing that proposal with MCWD
326 advisors, the Board's sense is that the proposal has significant outstanding issues and
327 open questions. The Board also considered in detail the comments from representatives
328 of the City of Hopkins. The Board members feel that given the almost four years Alatus
329 has spent trying to deliver the project and the length of time Alatus has spent out of
330 compliance with the purchase and sale agreement, the best path forward to deliver the
331 District's vision and mission for the larger Minnehaha Creek Greenway is to issue a
332 notice of termination.

333

334 *It was moved by Manager Miller, seconded by Manager Sando to adopt Resolution 25-*
335 *019: Authorization to Issue Notice of Termination of the 325 Blake Road Real Estate*
336 *Purchase Agreement as follows:*

337

338 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*
339 *Watershed District Board of Managers hereby direct the Administrator, on*
340 *advice of legal counsel, to issue a notice of termination for the 325 Blake Road*
341 *Real Estate Purchase Agreement to Alatus.*

342

343 *Upon roll call vote, the motion carried, 7-0 as follows:*

Minutes of the Regular Meeting
Minnehaha Creek Watershed District
Board of Managers
3/27/25

344

345 **Olson:** *Aye*

346 **Miller:** *Aye*

347 **Loftus:** *Aye*

348 **Hejmadi:** *Aye*

349 **Maxwell:** *Aye*

350 **Sando:** *Aye*

351 **White:** *Aye*

352

353 President White noted that with the notice of termination, there is a 30-day period for the
354 outstanding issues to be addressed. She noted that the MCWD staff would be reaching
355 out to the Alatus and the City and would remain open to any and all conversations with
356 partners moving forward.

357

358

359 **Adjournment**

360

361 There being no further business, President White declared the meeting of the Board of
362 Managers adjourned at 9:04 p.m.

363

364 Respectfully submitted,

365

366

367

368 Eugene Maxwell, Secretary