

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

4
5 **September 24, 2026**
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8 **CALL TO ORDER**
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10 The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called
11 to order by President Sherry White at 7:01 p.m. on September 24, 2026, at the MCWD offices,
12 15320 Minnetonka Boulevard, Minnetonka, Minnesota.
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14 **ROLL CALL FOR ATTENDANCE**
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16 President White called the roll to note attendance:
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18 William Olson: Present
19 Stephen Sando: Present
20 Eugene Maxwell: Present
21 Ricardo Bonner Present
22 Arun Hejmadi: Present, participating remotely
23 Janet Schaefer: Present
24 Sherry White: Present
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26 **DISTRICT STAFF AND CONSULTANTS PRESENT**
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28 James Wisker, Administrator; Gabe Sherman, Senior Planner- Project Manager; Brian
29 Beck, Research & Monitoring Program Manager; Justin Templin, Litigation Counsel; and
30 Louis Smith, District Counsel.
31

32 **MATTERS FROM THE FLOOR**
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34 None.
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36 **APPROVAL OF AGENDA**
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38 President White requested that an Alatus Litigation Update be added as Item 12.1 to the
39 agenda. *It was moved by Manager Olson, seconded by Manager Maxwell, to approve*
40 *the agenda with this change. Upon roll call vote, the motion carried, 7-0 as follows:*
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42 *Olson: Aye*
43 *Bonner: Aye*
44 *Maxwell: Aye*
45 *Sando: Aye*
46 *Schaefer Aye*

Hejmadi: Aye
White: Aye

CONSENT AGENDA

It was moved by Manager Maxwell, seconded by Manager Bonner, to approve the Consent Agenda consisting of approval of the September 10, 2026 Board meeting minutes, approval of the General Check Register, including check numbers 42775 through 42779 in the amount of \$9,771.93, electronic funds withdrawals of \$251,882.09, managers per diems and reimbursements of \$ 4,542.21, employee reimbursements of \$338.80, and payroll electronic funds withdrawals and disbursements of \$193,581.91, for a total of \$460,116.94; the Surety Check Register with check number 2282 and payment of \$50.00 in fees to Old National Bank for a total of \$5,445.00; wire transfers of \$0; and the following resolution:

Resolution 26-075: Approve and Ratify the Purchase of a Replacement Generator for MCWD's Electrofishing Boat

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers approves and ratifies the August 2026 purchase of a replacement Honda EU7000 generator from Blue Lagoon Marine in the amount of \$5,199, thereby authorizing the purchase as of the date it was made.

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

Hejmadi: Aye
Olson: Aye
Bonner: Aye
Maxwell: Aye
Sando: Aye
Schaefer: Aye
White: Aye

BOARD, COMMITTEE AND TASK FORCE REPORTS

President's Report: President White reported that, together with Manager Olson, she attended a staff meeting to prepare for the upcoming Policy Advisory Committee for the 2027 Plan.

Planning and Policy Committee Report: Manager Maxwell noted that the staff presented a briefing on the Permitting Program, including the program's strategic positioning within Balanced Urban Ecology and Land and Water Partnership; a current scan of active permitting

work; initiatives underway to strengthen permitting as a proactive point of connection with the land-use community; and the path toward completion and Board consideration of a Permitting Strategic Action Plan in January 2027.

Citizens Advisory Committee Report: Manager Hejmadi reported that he attended the recent CAC meeting which focused on the 2027 Plan, including a staff presentation on the recent survey from the Technical Advisory Committee. CAC members had a lot of interest in the 2027 Plan's points of connection to municipal comprehensive plans. There was also a discussion of recruiting applicants to the CAC for next year.

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

PUBLIC HEARINGS AND PRESENTATIONS

None.

PERMITS REQUIRING A VARIANCE OR DISCUSSION

None.

ACTION ITEMS

Resolution 26-076: Gateway to the Greenway Construction Observation and Administration Budget Reallocation

Mr. Gabe Sherman appeared before the Board of Managers to review the request for board action. He explained that while Pember's construction of the project is going well, a few issues have led to unforeseen work for HDR in construction oversight and administration. These issues include an unexpected layer of organic soils, discovery of a Met Council sewer vault that extended further into the site than shown on the survey, challenges in fabrication of the custom pergola, and lighting submittals that did not meet plans and specifications. Staff is proposing to reallocate HDR contract funds previously allocated to other tasks but presently unspent to the construction oversight and administration for the Gateway to the Greenway project. He noted that when MCWD moves forward to complete other elements of the project at 325 Blake Road, additional funding for the HDR contract will be needed.

It was moved by Manager Maxwell, seconded by Manager Sando to adopt Resolution 26-076: Gateway to the Greenway Construction Observation and Administration Budget Reallocation, as follows:

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby concurs in reallocating \$37,262

in unspent funds from the 325 Blake Road Regional Stormwater and Greenway/Cottageville Park Phase II Riparian Restoration Schematic Design budget as described above.

In response to questions from Manager Olson, Mr. Sherman reviewed more details about the Met Council sewer vault, organic soils, and trail accessibility. In response to a question from Manager Sando, Mr. Sherman described the original soil sampling process and how the organic soil layer at this site had been missed by the sampling. In response to a question from Manager Bonner, Mr. Sherman described the original scope for the HDR contract and the revisions based on the inability to proceed with Alatus in site development. He stated that construction for the Gateway to the Greenway project should be completed in Spring of 2027. In response to a question from Manager Maxwell, Mr. Sherman noted that the lighting design calls for downward casting of the lights to minimize light pollution for the surrounding neighbors.

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

Hejmadi: Aye
Olson: Aye
Bonner: Aye
Maxwell: Aye
Sando: Aye
Schaefer: Aye
White: Aye

Resolution 26-077: Adoption of 2D Model for 2027 Watershed Management Plan

Mr. James Wisker and Mr. Brian Beck appeared before the Board of Managers to review the request for board action. Mr. Wisker said that the 2D model will be a one-of-a-kind technical tool to model surface water, groundwater, and storm sewer pipes. He reviewed the three pillars of MCWD's Climate Action Framework: Understand & Predict; Convene & Plan; and Implement, Measure, & Adapt. He explained that the model is a primary investment in the first pillar, providing a more detailed understanding of existing conditions and a means to evaluate future precipitation and land use scenarios. He stated that that information will support the second pillar by giving staff and partners a common basis for discussing vulnerabilities, management goals, and the tradeoffs of potential responses.

Mr. Beck described the process to build the 2D model. He explained that the model integrates stormwater infrastructure data from all communities within MCWD into a common dataset, providing a shared foundation for planning with cities across municipal boundaries. He noted that the model combines these data with terrain, soil, and water resource information to evaluate how water moves across the landscape, through

stormwater pipes, and between surface water and shallow groundwater. He noted several key points about this model:

- Fragmented data sets, tools, and professional responsibilities have limited our ability to plan for one connected water system;
- When models treat local infrastructure and watershed processes separately, they can reinforce the same fragmented understanding that we are trying to avoid;
- The repeatable processes and output datasets are as valuable, or more valuable, than the model itself;
- The model's greatest value is not just technical – it creates a shared foundation for planning with cities and aligning priorities, projects, and investments; and
- A shared planning foundation does not require everyone to use the same model – it allows different tools and responsibilities to support coordinated decisions.

Mr. Beck reviewed next steps to finalize the model report and calibrate the groundwater elements of the model. He said that MCWD will use the model as a tool to plan with cities and develop a shared strategy for managing stormwater and cross-boundary flood risk.

It was moved by Manager Olson, seconded by Manager Bonner to adopt Resolution 26-077: Adoption of 2D Model for 2027 Watershed Management Plan as follows:

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers accepts the Upper and Lower Watershed 2D Model Build Reports as documentation of the watershed-wide model build and a technical basis for the District's climate planning work.

In response to a question from Manager Olson, Mr. Beck said that there are no immediate plans to develop an application for the model on smartphones. Mr. Wisker noted that the focus is for the model to be a basis for policy discussions and planning, from which there will be many questions and proposed uses which MCWD and its partners will need to prioritize. Manager Maxwell expressed his gratitude for all the work to develop the model and asked what response we have received so far from cities. Mr. Beck said that there has been excitement with the datasets and the model's potential to address city needs. Manager Schaefer said that this was an amazing project and also that she appreciated the great work of the Outreach team in describing it.

President White noted that Manager Hejmadi and former Manager Miller served as liaisons for this project. Manager Hejmadi said that he was impressed with the remarkable diligence, care, and thought that went into the development of the model. He asked how drought is addressed in the model. Mr. Beck noted that the combined data sets allow the model to consider groundwater and base flow issues for the creek in a way not possible before. Manager Hejmadi noted that as the model is shared and used, there

could be many more questions asked that could test MCWD's staff capacity. Manager Bonner remarked that this model is a game changing tool and predicted there will be national interest in its use. President White thanked Mr. Beck and his team for remarkable work.

There being no further discussion, upon roll call vote, the motion carried 7-0 as follows:

Hejmadi: Aye
Olson: Aye
Bonner: Aye
Maxwell: Aye
Sando: Aye
Schaefer: Aye
White: Aye

BOARD INQUIRIES, ISSUES, AND IDEAS

Alatus Litigation Update

President White stated that the Board is pleased with the Court's ruling today which affirmed MCWD's position on all points in the case. She said that the decision confirms MCWD's right as the land seller to terminate Alatus' purchase agreement after they repeatedly failed to complete their obligations under the contract and with four extensions. President White said that with the litigation resolved, MCWD's focus can now return to advancing its project at 325 Blake Road, part of the larger Minnehaha Creek Greenway vision to improve water quality, expand greenspace, connect communities, and support redevelopment.

She noted that the Board has directed staff to explore options to move this important project forward, such as constructing our fully funded regional water quality project independently; pursuing another collaborative redevelopment with the City and a developer that has capacity and funding to buy the site and build; or selling the remaining property to the City if they choose to buy it and invest in the necessary site infrastructure to support future redevelopment. President White said that MCWD is committed to continued partnership with the City. She asked MCWD's litigation counsel, Mr. Justin Templin to come forward and provide a summary of the Court's decision.

Mr. Templin noted that the Court found that there were no factual issues in dispute and ruled in MCWD's favor on all legal issues. He stated that the Court found that MCWD properly terminated the purchase agreement with Alatus and wrote a lengthy recitation of the project history and procedural history of the lawsuit. He said that the detailed

decision puts MCWD in good stead in the event of an appeal. In response to a question from President White, Mr. Templin said that the Court found that there was no provision in the contract which supported the Alatus claim of unjust enrichment and it was dismissed. In response to a question from Manager Maxwell, Mr. Templin said that an appeal would bring these issues before three different judges, but if the question is 'who's shoes would you rather be in today,' the answer is ours. In response to a question from Manager Hejmadi, Mr. Templin said that an appeal would present no impediment to the MCWD moving forward with its plans for the site. The managers thanked Mr. Templin for his good work on this case.

BOARD DISCUSSION ITEMS

None.

STAFF UPDATES

Administrator's Report

Mr. Wisker reported on the following items:

1. The Cedar Avenue restoration project in Minneapolis received a great deal of interest from prospective firms in response to the request for technical services proposals, and staff will be coordinating a review of the proposals with City and MPRB representatives to bring a recommendation at the second meeting in October;
2. Proposals for the Six Mile Marsh load management assessment are due October 27;
3. In response to a question from President White, Mr. Wisker reported that MCWD submitted two abstracts for proposed presentation at the annual meeting of Minnesota Watersheds, on the permitting program, and the Six Mile Subwatershed Assessment work.

Adjournment

There being no further business, President White declared the meeting of the Board of Managers adjourned at 8:47 p.m.

Respectfully submitted,

Arun Hejmadi, Secretary