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3 **MINUTES OF THE REGULAR MEETING OF**
4 **THE MINNEHAHA CREEK WATERSHED DISTRICT**
5 **BOARD OF MANAGERS**
6

7 **January 12, 2017**
8
9

10 **CALL TO ORDER**

11
12 The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called
13 to order by President Sherry White at 6:45 p.m. on January 12, 2017 at the District office, 15320
14 Minnetonka Boulevard, Minnetonka, Minnesota.
15

16 **MANAGERS PRESENT**

17
18 Sherry White, Brian Shekleton, Richard Miller, Kurt Rogness, Pamela Blixt, William Olson, Bill
19 Becker.
20

21 **MANAGERS ABSENT**

22
23 None.
24

25 **DISTRICT STAFF AND CONSULTANTS PRESENT**

26
27 Lars Erdahl, Administrator; Telly Mamayek, Communications and Education Director; James
28 Wisker, Planning and Projects Director; Katherine Sylvia, Permitting Program Lead; Anna
29 Brown, Planner-Project Manager; Michael Hayman, Planner-Project Manager; Jack Distel,
30 District Representative-Permitting; Chris Meehan, Consulting Engineer; Chuck Holtman,
31 Counsel.
32

33 **MATTERS FROM THE FLOOR**

34
35 None.
36

37 **INTRODUCTION OF NEW STAFF MEMBER**

38
39 Jack Distel introduced himself as a new District Representative for permitting. He graduated
40 from Central Michigan University with degrees in environmental science and natural resources
41 biology. Subsequently he worked for the Peace Corps doing coastal management work in the
42 Philippines. Manager White welcomed him on behalf of the Board.
43
44

45 **APPROVAL OF AGENDA**

46
47 Manager Miller asked that a discussion about a potential change of the District's name be added
48 to the agenda. *Manager Olson moved, Manager Shekleton seconded to approve the agenda*
49 *with the additional discussion item as matter 12.4. Upon vote, the motion carried 7-0.*

50
51 **CONSENT AGENDA**

52
53 *Manager Miller moved, Manager Becker seconded approval of the consent agenda, except for*
54 *the December 15, 2016 Board minutes, consisting of the following:*

55
56 *Resolution 17-001, 2017 Fee Schedule:*

57
58 **NOW, THEREFORE, BE IT RESOLVED** *that the Minnehaha Creek*
59 *Watershed District Board of Managers hereby approves the following 2017 fee*
60 *schedule:*

	<u>2016 fees</u>
<i>District professional staff*</i>	<i>\$ 65.51</i>
<i>District interns*</i>	<i>\$ 40.35</i>
<i>District clerical staff*</i>	<i>\$ 46.69</i>
<i>Consulting Senior Engineer Consulting</i>	<i>\$ contracted rate</i>
<i>Engineer/Technician</i>	<i>\$ contracted rate</i>
<i>District Counsel</i>	<i>\$ contracted rate</i>
<i>Application fee</i>	<i>\$ 10.00</i>
<i>B&W Copy costs (per 8½X 11 page)</i>	<i>\$.25 + actual staff time</i>
<i>Color copies (per 8½X11 page)</i>	<i>\$ 1.00 + actual staff time</i>
<i>Watershed Plan (Paper) Watershed</i>	<i>\$ cost of production</i>
<i>Plan CD</i>	<i>\$ 10.00</i>
<i>Watershed Plan CIP</i>	<i>\$ 10.00</i>
<i>Electronic recording of meetings</i>	<i>\$ cost of production</i>

61
62 *District expenses for postage, mailing labels, contracted services, and other*
63 *miscellaneous services will be billed at cost.*

64
65 *Resolution 17-002, 2017 Depository of District Funds:*

66
67 **NOW, THEREFORE, BE IT RESOLVED** *that the Minnehaha Creek*
68 *Watershed District Board of Managers hereby names Alerus, formerly known*
69 *as Beacon Bank as the 2017 official depository of District funds.*

70

71 ***Resolution 17-003, 2017 Official Newspaper:***

72

73 ***NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek***
74 ***Watershed District Board of Managers names the 2017 official newspaper as***
75 ***the Star Tribune.***

76

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

78

79 ***Manager Miller moved, Manager Shekleton seconded to reconsider the previous motion. Upon***
80 ***vote, the motion carried 7-0.***

81

82 ***Manager Miller moved, Manager Shekleton seconded to approve the previous motion with the***
83 ***removal of Resolution 17-002 and its relocation to the action agenda as matter 11.4. Upon***
84 ***vote, the motion carried 7-0.***

85

86 **REGULAR AGENDA**

87

88 **Board, Committee and Task Force Reports**

89

90 **President's Report**

91

92 Manager White noted upcoming meetings: Metro MAWD on January 17; a planning meeting in
93 the City of Victoria on January 19, to which managers are invited; and the upcoming Governor's
94 Water Summit, for which Manager White has signed up. She also noted that the consultant's
95 work on the performance review of the District Administrator will be reported to the Board
96 shortly.

97

98 Manager White also reported on recent meetings of the Executive Committee. John Himle and
99 Joel Carlson joined the Committee to discuss development of talking points for the District's
100 representation at the legislature. The Committee also received an update on permit review for the
101 Southwest LRT project. The Executive Committee met again this evening and discussed the
102 human resources strategic plan. The managers shortly will receive a schedule for that project.

103

104 Manager Becker asked how managers are kept abreast of legislature activities. Manager White
105 noted that Mr. Carlson sends emails. Mr. Becker observed these tend to be general and not
106 focused on watershed matters. Manager Miller added that Mr. Carlson does provide details on
107 specific bills as they are introduced and remains in communication with Manager White and Mr.
108 Erdahl. Manager Becker noted that he saw reference to recent activity regarding a repeal of the
109 buffer law, something about which the District should remain aware. Mr. Erdahl advised that if
110 any manager has specific issues he or she would like to track, they should let Mr. Erdahl know.

111

112 Policy and Planning Committee Report

113

114 Manager Miller noted that minutes of the last two Committee meetings are in the packet. At
115 tonight's meeting, there was a discussion of the present watershed planning effort, strategic
116 planning and the Long Lake watershed initiative.

117

118 Manager White updated the Board on the Citizens' Advisory Committee (CAC) meeting that
119 occurred last night. There was an orientation for the six new members, an update on the cost-
120 share program and 50th anniversary planning from Ms. Mamayek and a general overview of
121 District activity by Mr. Wisker. The CAC will review watershed plan documents as drafted. The
122 body reelected Bill Bushnell as Chair and Peter Rechelbacher as Vice Chair. The executive
123 committee includes one of the new members. The CAC expressed its appreciation for the level of
124 staff participation.

125

126 Manager White reviewed upcoming meetings as noted on the agenda.

127

128 Election of Board Officers/Committee Assignments

129

130 Manager White requested nominations for Board President. Manager Miller nominated Manager
131 White for reelection. No other nominations were offered. **Manager White was reelected by**
132 **unanimous consent.**

133

134 Manager White requested nominations for Vice President. Manager Miller nominated Manager
135 Shekleton for reelection. No other nominations were offered. **Manager Shekleton was reelected**
136 **by unanimous consent.**

137

138 Manager White requested nominations for Board Treasurer. Manager Becker nominated
139 Manager Miller for reelection. No other nominations were offered. **Manager Miller was**
140 **reelected by unanimous consent.**

141

142 Manager White requested nominations for Board Secretary. Manager Miller nominated Manager
143 Rogness for reelection. No other nominations were offered. **Manager Rogness was reelected by**
144 **unanimous consent.**

145

146 Manager White stated that she has spoken with all Board members concerning committee
147 assignments and proposes that all assignments remain the same. Operations and Programs
148 Committee: Managers Olson (Chair), Blixt and Becker; Policy and Planning Committee:
149 Managers Miller (Chair), Shekleton and Rogness.

150

151 **Manager Miller moved, Manager Olson seconded approval of the proposed assignments.**
152 **Upon vote, the motion carried 7-0.**

153

154 Approval of Design and Authorization to Solicit Bids: Minnehaha Preserve Enhancement Project

155

156 Mr. Hayman reviewed the background for the present proposed action including the District's
157 development of the Minnehaha Preserve project, its acquisition of an additional adjacent parcel
158 from Japs Olson and its work to develop regional stormwater facilities on that parcel as well as
159 the adjacent property that it has owned. The present matter concerns construction of a small
160 parking area off of Excelsior Boulevard and a trail/boardwalk connection in to the broader
161 boardwalk network of the Minnehaha Preserve. On December 8, 2016, the Board requested that
162 the parking surface be bid as a conventional surface but that a porous surface be included as a bid
163 alternate. Staff has reviewed that and has incorporated a porous asphalt surface as a bid alternate.
164 The combined trail and parking area work is estimated at \$165,000 to \$205,000 depending on
165 which surface is selected. Mr. Hayman further noted that it is a sealed bid process but that the
166 District is defining responsible contractor to require demonstration of prior experience with
167 boardwalk construction, helical pier installation and pervious surface installation. The work will
168 involve disassembling the existing boardwalk and tying the new portion in to it. Staff will return
169 in February with a recommendation for an award of contract.

170

171 *Manager Shekleton moved, Manager Miller seconded adoption of proposed resolution 17-004*
172 *as follows:*

173

174 ***NOW, THEREFORE, BE IT RESOLVED, that the Minnehaha Creek***
175 ***Watershed District Board of Managers hereby approves the final design for the***
176 ***Minnehaha Preserve Enhancement Project trail extension and parking area;***
177 ***and***

178

179 ***BE IT FURTHER RESOLVED that the MCWD Board of Managers authorizes***
180 ***staff to solicit bids for construction.***

181

182 Manager Blixt asked if the District now designs its projects using Atlas 14 precipitation data. Mr.
183 Hayman replied that the District is doing so but that the District's regional ponding facilities to
184 which this work will drain are designed with excess capacity in any event.

185

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

187

188 December 15, 2016 Minutes

189

190 *Manager White moved, Manager Miller seconded approval of the December 15, 2016 minutes*
191 *with deletion, at line 317, of the words "both Manager White and." Upon vote, the motion*
192 *carried 7-0.*

193

194 2017 Official Depository

195

196 ***Manager Miller moved, Manager Shekleton seconded naming Alerus as the District's official***
197 ***2017 depository, with a review by Springsted before next year's action and similar review every***
198 ***two years thereafter. Upon vote, the motion carried 7-0.***

199

200 2017 Cost-Share Program Discussion

201

202 Ms. Mamayek reviewed a December 15, 2016 presentation to the Policy and Planning
203 Committee that followed staff evaluation of the District's cost-share programming. The review
204 encompassed the District's Cynthia Krieg program and the homeowner, community education
205 and Green Infrastructure cost-share programs. The driving concern is that the District aims to do
206 too much with too few resources. Staff reviewed the water quality benefits, citizen engagement
207 benefits and resource commitment level for each program. The homeowner program produces
208 the least level of benefit in each case and requires substantial staff time. The Cynthia Krieg
209 program results in a high level of engagement with low water quality benefits, while the Green
210 Infrastructure program results in high water quality benefits with a low engagement level.
211 Finally, the community education program produces moderate levels of each.

212

213 Staff's tentative strategic review recommendations include retaining the Green Infrastructure
214 program under the planning department as an opportunity fund and the Master Water Steward
215 Capstone Grant within the education department; discontinuing the homeowner cost-share
216 program; and restructuring engagement by combining the Cynthia Krieg program and the
217 community engagement program within the education department and tying engagement more
218 closely to District capital installations with water quality benefits at a community scale.

219

220 Manager Shekleton asked how the Cynthia Krieg and community engagement programs would
221 be combined. Mr. Erdahl replied that staff would like to increase measurable outcomes with a
222 structured engagement around capital practices. Manager Shekleton supports building education
223 into capital budgets and using capital projects to create educational outcomes that have a broad
224 range of use.

225

226 Ms. Mamayek affirmed that the proposal is intended to provide more program support, noting
227 that the Green Infrastructure program would operate through the planning department and that
228 community education would be centered on capital practices that District staff, rather than
229 homeowners, would guide. She noted that the District has many engaged people in the
230 community and that the proposed structure also is intended to leverage these folks. Mr. Erdahl
231 added that the last two budget allocations have reduced funding in this area so that the
232 recommendations also indicate a budgetary aspect.

233

234 Ms. Mamayek advised that next steps will include developing program details and accessing
235 staff capacity and needs. In addition, staff will continue to meet ongoing needs to stay
236 operational, including communications with cost-share recipients, attending to process for
237 outstanding grants and managing documents. The staff recommendation is to suspend the

238 District cost-share programs for the 2017 calendar year to allow for a thoughtful restructuring
239 and hiring; to complete current projects; and to devote capacity to resolving encumbered but
240 uncompleted projects. The District would be open to collaboration opportunities. The timeline is
241 in line to launch a restructured program in January 2018.

242

243 ***Manager Miller moved, Manager Rogness seconded a 2017 program suspension as***
244 ***recommended.*** Responding to Manager Olson, Ms. Mamayek replied that these
245 recommendations have been discussed twice with the CAC, which has not offered a specific
246 recommendation. ***Upon vote, the motion carried 7-0.***

247

248 Southwest LRT Permit Review Process

249

250 Ms. Sylvia reviewed the project background. The project will include about five linear miles of
251 construction within District boundaries, in the Cities of Hopkins, St. Louis Park and
252 Minneapolis. The District received a permit application in May 2016 and has been working with
253 the applicant to achieve a complete application and complete review. Presently Board
254 consideration is scheduled for the February 23, 2017 agenda. Staff is working with counsel and
255 applicant to develop a proposed approach to address amendments during the project.

256

257 Ms. Sylvia reviewed the postcard that will be sent to residents and described the dedicated phone
258 line and other means by which staff will receive comments. All comments received in writing or
259 orally will be included in the February 23, 2017 packet.

260

261 Manager Blixt asked as to the concern regarding any allegations of conflict of interest given that
262 the District owns real property along the alignment. Mr. Holtman replied that there is not a legal
263 conflict in that the District necessarily needs to review the project against its rules and make a
264 decision on the permit application. He noted that what is important is that the District's review
265 be technically sound and that that the Board make findings as to rule compliance based on a
266 thorough staff review and record. Manager Shekleton observed that the Board has never
267 advocated for or against the project and its obligation is to make a science-based decision.

268

269 Ms. Sylvia added that the end of the comment period is February 3, 2017. Manager Blixt asked
270 whether the District meeting room may be too small for expected public attendance. Mr. Wisker
271 replied that staff is aware of this question and will judge the need to schedule a larger space as it
272 sees how many comments are offered and how much interest arises.

273

274 Manager Becker sought confirmation that the Board's task is simply to determine whether the
275 project meets District rules. Mr. Holtman replied that this is true, however certain rule criteria do
276 involve some exercise of judgement. Manager Blixt added that the Board has the authority to
277 place conditions on the proposed work.

278

279 Manager Olson urged that the District seek to orient interested members of the public toward
280 matters that are within the District's purview. Manager Miller agreed with that and urged the
281 Board as well to be disciplined in orienting any commenters in that way. Manager Becker asked

282 if staff is satisfied that the public notice is sufficient to inform the public as to the project
283 elements. Ms. Sylvia replied that staff has gone beyond the usually level of description in this
284 case and therefore is comfortable in that respect. Manager White summarized by affirming that
285 the Board will operate in the usual fashion; some people will speak to pertinent issues and some
286 won't; all will be treated fairly and have their comments appropriately considered.

287

288 Land Acquisition on Lake Wassermann, City of Victoria

289

290 Ms. Brown reviewed the background of a potential acquisition of property riparian to Lake
291 Wassermann, including ownership and present development status of the property, its
292 topography and natural resource features, regional hydrology and the status of area development.
293 She reviewed communications that have occurred with city staff and the City Council regarding
294 interest in a joint opportunity both to establish a regional park site and access point to Lake
295 Wassermann and to protect and enhance the conservation values of the property. She noted that
296 Carver County, the City of Victoria and the lake association all have expressed initial support for
297 a potential joint effort. She further reviewed a proposed approach whereby the District would
298 acquire the property in fee from the current owner, the Minneapolis Jewish Federation, and
299 would transfer the property to the City in conjunction with a partnered development of a design
300 for the parkland. The District would retain a perpetual easement over the wetland area. The
301 District in this way would finance the acquisition and the City would pay the District over time
302 on a schedule generally coordinated with the City's expected receipt of park dedication fees for
303 development in the area. Manager Miller commended staff in exploring creative funding
304 opportunities such as the use of dedication fees.

305

306 ***Manager Shekleton moved, Manager Miller seconded that the Board convene in closed***
307 ***session to consider an offer for the real estate that does not have an assigned address but is***
308 ***identified with parcel identification numbers 650230600 and 650230700, Carver County.***
309 ***Upon vote the motion carried 7-0, and the Board convened in closed session.***

310

311 The Board reconvened in open session.

312

313 Potential Change of District Name

314

315 Manager Miller raised a question of adjusting the District's name to incorporate reference to
316 Lake Minnetonka. He noted the District's origin in Minnehaha Creek flooding, which may
317 account for its present name but the District's mission at this point certainly is much broader. He
318 noted that District counsel has advised that a change would be effected by supporting resolutions
319 from Hennepin and Carver Counties and a petition to the Board of Water and Soil Resources to
320 amend the original order establishing the District. Manager Miller noted he has spoken with
321 several Hennepin County commissioners who have been supportive of the concept. To Manager
322 Miller, the name change would tell taxpayers more clearly what they are paying for and enable
323 the District to make clear its role with respect to Lake Minnetonka, which is the largest
324 waterbody in the County.

325

326 ***Manager Miller moved, Manager Shekleton seconded that the Board explore a name change.***
327

328 Manager Olson agreed that the name would be more inclusive and believes he is generally
329 supportive of the idea. Manager Rogness noted that the name would, however, be quite long and
330 that in itself would create some practical issues. Manager Shekleton noted many elements of a
331 name change that aren't thought of initially and that various elements of District property and
332 materials would need to be changed over time as they reached their lifetimes.
333

334 Manager Blixt doesn't believe that Manager Miller's understanding as to the origin of the
335 District name is correct. She suggested that the District name references Minnehaha Creek
336 because the boundaries of the District define the area that drains to the creek. Manager White
337 concurred noting that the expanded name would be more descriptive of the Districts geography,
338 but not of its hydrology. Manager Blixt is concerned that a longer name may be confusing. In
339 addition, it may cause some to think that the District intends to expand its jurisdiction in some
340 manner. Mr. Erdahl suggested that the Board take some time to gauge from a broader set of
341 constituencies how the name change would be perceived and to be sure that there are not longer-
342 term strategic considerations that the Board is not considering. Manager Becker concurred that
343 the Board should be deliberate.
344

345 Manager Shekleton offered that the District's primary experiences are with officials at the local
346 level, who in general understand the District's mission and jurisdiction and are supportive. He
347 suggested that at the state level it doesn't hurt to have a more explicit association with the areas
348 to the west outside of the urban core.
349

350 Manager White suggested that the exploration referenced in the motion might involve conferring
351 with the CAC, the District's governmental relations consultant, its public communications
352 consultant, District staff, Carver County commissioners and perhaps the District's legislators.
353 She offered to work with Mr. Erdahl on this.
354

355 Manager White asked for a straw poll. Five managers indicated a favorable inclination toward a
356 name change, while two had the opposite inclination. Manager Miller stated that normally he
357 does not support purely symbolic action, but that he believes this is more than symbolic and
358 communicates what the District does. Manager Shekleton suggested that Ms. Mamayek might
359 work with John Himle to consider potential naming options.
360

361 ***Upon vote, the motion carried 6-1 (Manager White opposed).***
362

363 **ADMINISTRATOR'S REPORT** 364

365 Mr. Erdahl noted the District's participation in a resilience group hosted by the City of
366 Minneapolis. He also advised that the communications department is working on the 2016
367 annual report, an updated Lake Minnetonka map and a page of key messages in particular to
368 educate new legislators.
369

Minutes of the Regular Meeting
Minnehaha Creek Watershed District
Board of Managers
1-12-2017

370 Mr. Wisker updated the Board that the District is working to develop a long-term financing
371 mechanism through Carver County bonding. Details are being developed with the assistance of
372 District counsel, District bond counsel and Springsted and that the Board will be briefed in
373 February with a term sheet for discussion. Manager Miller added that he commends staff on
374 working to develop this as an additional creative financing vehicle and that the District is
375 somewhat unique among both watershed districts and conservation finance in pursuing these
376 alternative means.

377
378 Mr. Erdahl said that the 2016 audit also is getting underway and requested that managers submit
379 all 2016 per diems as soon as possible.

380

381 **ADJOURNMENT**

382

383 There being no further business, the regular meeting of the Minnehaha Creek Watershed District
384 Board of Managers was adjourned at 10:00 p.m.

385

386 Respectfully submitted,

387

388

389 Kurt Rogness, Secretary