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

6  
7 **January 29, 2015**  
8

9 **CALL TO ORDER**

10  
11 The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called  
12 to order by President Sherry White at 6:45 p.m. at the District offices, 15320 Minnetonka  
13 Boulevard, Minnetonka, Minnesota 55345.  
14

15 **MANAGERS PRESENT**

16  
17 Sherry Davis White, James Calkins, Richard Miller, Pam Blixt, Jeffrey Casale, William Olson,  
18 and Brian Shekleton.  
19

20 **MANAGERS ABSENT**

21  
22 None.  
23

24 **OTHERS PRESENT**

25  
26 David Mandt, District Operations and Support Services Director; James Wisker, District  
27 Planning and Projects Director, Renae Clark, District Planner-Project Manager; Becky  
28 Christopher, District Lead Planner-Project Manager; Tom Dietrich, District Permitting  
29 Technician; Courtney Hall, District Permitting Technician, Tiffany Schaufler, District Project  
30 and Land Program Manager; Michael Hayman, District Planner-Project Manager; Lars Erdahl,  
31 District Administrator-Designate; Michael Panzer, Chris Meehan, District Consulting Engineers;  
32 Louis Smith, District Counsel.  
33

34 **MATTERS FROM THE FLOOR**

35  
36 None.  
37

38 **APPROVAL OF AGENDA**

39  
40 President White noted several revisions to the agenda, as follows: Item 5.1, Zumbra Ridge  
41 Homeowners Association, be moved to 13.2 for discussion; add to Board Updates at Item 9.1 of  
42 the agenda a report from Manager Olson on the Boat Manufacturer's Conference; and add to the  
43 Discussion Agenda as Item 13.3, Aquatic Invasive Species Legislation. *It was moved by*  
44 *Manager Miller, seconded by Manager Calkins, to approve the agenda with these changes.*  
45 *Upon vote, the motion carried, 5-0 (Managers Casale and Olson absent).*  
46

47 Election of Board Officers

48

49 Noting that not all members of the Board were present, this item was tabled to later on the  
50 agenda.

51

52 **CONSENT AGENDA**

53

54 President White requested that the minutes of January 15, 2015 be pulled for discussion. *It was*  
55 *moved by Manager Miller, seconded by Manager Blixt, to approve the remaining items on the*  
56 *consent agenda as follows; approval of the check register for the surety account and the*  
57 *general checking account, the latter including checks 35231 through 35329 for a total of*  
58 *\$559,573.41, payroll direct deposits totaling \$194,930.46 and electronic fund withdrawals*  
59 *totaling \$195,460.89 for a total expense amount for the period January 1 through January 31*  
60 *of \$949,964.76; acceptance of the 325 Blake Road checking account report; and the adoption*  
61 *of the following resolutions:*

62

63 **Resolution 15-004, 2015 Depository for Financial Assurances**

64

65 *NOW THEREFORE BE IT RESOLVED that the Minnehaha Creek Watershed*  
66 *District Board of Managers names Smith Partners as 2015 depository of all*  
67 *bonds and letters of credit submitted to MCWD.*

68

69 **Resolution 15-006, Approval of the 2015 Server Upgrades**

70

71 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*  
72 *Watershed District Board of Managers hereby authorize the Administrator to*  
73 *enter into a contract with Veracity, upon approval of District Counsel as to*  
74 *form and execution, for the purpose of implementing district technology*  
75 *upgrades for a cost not to exceed \$13,438.76 plus tax.*

76

77 **Resolution 15-007, Authorization to Enter into a Joint Funding Agreement with the United**  
78 **States Geological Survey (USGS) for the Operations and Maintenance of a Stage Gage on**  
79 **Lake Minnetonka**

80

81 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*  
82 *Watershed District Board of Managers authorize the District Administrator to*  
83 *enter into a Joint Funding Agreement with the USGS to operate and maintain a*  
84 *stage gage on Lake Minnetonka from January 1, 2015 to September 30, 2015 in*  
85 *which the total cost will not exceed \$2,700.*

86

87 **Resolution 15-008, Approval of Cost Share Funding for Arden Park Neighborhood**  
88 **Project**

89

90 ***NOW, THEREFORE BE IT RESOLVED that pursuant to Minnesota Statutes***  
91 ***§103B.251 and the WMP, the MCWD Board of Managers orders the Project,***  
92 ***with a total estimated cost share contribution from the MCWD of \$89,000; and***  
93

94 ***BE IT FURTHER RESOLVED, that the MCWD Board of Managers***  
95 ***authorizes the administrator to execute, on advice of counsel, a grant***  
96 ***agreement with the City of Edina providing reimbursement of 50 percent of the***  
97 ***documented costs for construction of storm water BMPs for and design and***  
98 ***fabrication of educational signage for the Project, not to exceed \$89,000, from***  
99 ***the Cost Share Grant Program fund.***

100  
101 *Upon vote, the motion carried, 5-0 (Managers Casale and Olson absent).*  
102

### 103 **REGULAR AGENDA**

### 104 **BOARD, COMMITTEE, AND TASK FORCE REPORTS**

#### 105 Policy and Planning Committee Report

106  
107  
108  
109 Ms. Becky Christopher appeared before the Board of Managers and reviewed the process for  
110 engaging the public in the process to update District's Comprehensive Water Resources Manager  
111 Plan. She noted that the District was planning for a community open house on February 18.  
112 Manager Shekleton stated that the Policy and Planning Committee recommended the hiring of a  
113 planning assistant to assist with this planning process. He noted that this position was within the  
114 District's annual budget for the planning process. *Following discussion, it was moved by*  
115 *Manager Shekleton, seconded by Manager Miller, to direct the District Administrator to work*  
116 *with the Planning Director and Operations Director, in consultation with Springsted Inc., to*  
117 *develop a position profile, salary range, employment term and posting for a Comprehensive*  
118 *Planning Assistant, within the established 2015 Comprehensive Planning budget. Upon vote,*  
119 *the motion carried, 5-0 (Managers Casale and Olson absent).*  
120

#### 121 Metro MAWD Report:

122  
123 Manager Blixt reported on attendance at the meeting of the Metropolitan Chapter of the  
124 Minnesota Association of Watershed Districts. She noted plans for the upcoming Legislative  
125 Breakfast on March 11. Jim Haertel of the Board of Water and Soil Resources reported on the  
126 process of responding to comments on the proposed changes to Minnesota Rules Chapter 8410.  
127 The Department of Health provided an update on ground water protection, and other state  
128 agencies provided an update on clean water grants. President White noted that in addition, the  
129 Association of District Administrators has formed a six member executive committee that will  
130 continue to work in coordination for the planning of the summer tour, legislative breakfast, and  
131 annual conference.  
132

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133 President White also noted that there will be an Executive Committee meeting on February 12 at  
134 5:30 p.m.

135  
136 Public Hearings and Presentations

137  
138 Permit 14-577 – MCES Interceptor Tunnel Improvements Public Informational Meeting  
139

140 President White noted that this was an informational meeting in order to have a presentation to  
141 the Board and receive public comments on this permit application. She noted that the comment  
142 period would remain open until February 5 at 4:30 p.m., and the Board of Managers would  
143 consider action on the permit application at its meeting on February 12.

144  
145 Mr. Tom Dietrich and Mr. Chris Meehan appeared before the Board of Managers to present  
146 background information on this permit application. (Manager Casale arrived at this point in the  
147 meeting, 7:13 p.m.) Mr. Dietrich asked legal counsel to provide an overview of the special law  
148 protecting Camp Coldwater Springs, and Mr. Smith provided this overview. The managers  
149 discussed with Mr. Dietrich and Mr. Meehan the potential for impacts to the spring and how  
150 these potential impacts have been analyzed. Mr. Kelton Barr, hydrogeologist, appeared before  
151 the Board of Managers as a consultant to the Metropolitan Council. He provided further  
152 background information on this analysis. (Manager Olson arrived at this point of the meeting  
153 7:35 p.m.)

154  
155 Mr. Barr explained that he still planned to perform a ground penetrating radar study of this area,  
156 and that these findings would be available in the next couple of weeks. President White invited  
157 any comments from the public. Mr. Tom Holtzleider, Bloomington, appeared before the Board  
158 of Managers and asked about the merits of a dye test. He also commented on the need for more  
159 detailed monitoring of the spring.

160  
161 Ms. Sue Ann Martinson, Minneapolis, appeared before the Board of Managers and provided a  
162 handout that emphasized the need for ecological stewardship and understanding connections.

163  
164 Ms. Suzu Jeffrey appeared before the Board of Managers and highlighted the importance of the  
165 Camp Coldwater Springs as a native cultural site and natural resource. She noted concern about  
166 monitoring from 2005 which noted a gradual downward trend in the spring flow. She  
167 commented that the special law provided that there may be no impact on the springs, and that  
168 even a temporary impact during construction is prohibited in her view.

169  
170 Mr. Dietrich noted that the staff would develop responses to these comments for the Board's  
171 consideration at the next meeting. The managers continued further discussion of the potential  
172 project impacts and the plans for further data and analysis to be provided at the meeting of  
173 February 12. Mr. Doug Hendricks appeared before the Board of Managers on behalf of the  
174 Metropolitan Council and noted that the information from the ground penetrating radar analysis  
175 will be provided to the Board of Managers prior to its February 12 meeting.

176

177 Minutes of January 15, 2015

178  
179 President White requested the following changes to the minutes as distributed: At line 313,  
180 correct the spelling to Steve Mohn; at line 350, revised to read as follows: “Initial demonstration  
181 of iPad with a laserfiche application to demonstrate access to Board packets.”  
182 *It was moved by President White, seconded by Manager Miller to approve the minutes of*  
183 *January 15 with these changes. Upon vote, the motion carried, 7-0.*

184  
185 Resolution 15-005, Authorizing to Award Bid For Cottageville Park and Approval of  
186 Construction Oversight Contracts

187  
188 Ms. Renae Clark appeared before the Board of Managers and reviewed the request for board  
189 action. She noted the process of rejecting previous bids and undertaking revisions to the project  
190 for cost saving purposes. She noted that the completion of the best value bidding process resulted  
191 in a staff recommendation of awarding the contract to Custom Builders with a construction  
192 budget not to exceed \$1,858,233.00, and authorizing that Wenck Associates and Hart Howerton  
193 provide construction oversight in the amounts not to exceed \$40,000 and \$37,450, respectively.  
194 *Following discussion, it was moved by Manager Miller, seconded by Manager Calkins, to*  
195 *adopt Resolution 15-005 as follows:*

196  
197 **Resolution, 15-005, Awarding Contract for Construction of Phase 1 of Cottageville Park**  
198 **Project Including Three Add Alternates and Authorizing Construction Oversight**  
199 **Contracts**

200  
201 *NOW, THEREFORE, BE IT RESOLVED, the MCWD Board of Managers*  
202 *concurs in the scores determined by the evaluation committee for the technical*  
203 *proposal; adopts the adjusted scores as calculated and recommended by District*  
204 *staff and the District engineer; finds Custom Builders to be a responsible*  
205 *bidder; and award the contract for construction of Cottageville Park Phase 1,*  
206 *including bid alternates 1, 2 and 3, to Custom Builders in the contract amount*  
207 *of \$1,689,303;*

208  
209 *BE IT FURTHER RESOLVED that the MCWD Board of Managers authorizes*  
210 *the Administrator to execute a construction contract for Cottageville Park*  
211 *Phase 1 Project and directs that the Administrator return and otherwise*  
212 *administer bid bonds in accordance with the terms of the request for bids; and*

213  
214 *BE IT FURTHER RESOLVED that the MCWD Board of Managers establishes*  
215 *a project construction budget in the not-to-exceed amount of \$1,858,233 and*  
216 *authorizes the Administrator, in his judgment and on the recommendation of*  
217 *the construction manager, to authorize change orders obligating the District up*  
218 *to that amount;*

219

220 *BE IT FURTHER RESOLVED that the MCWD Board of Managers authorizes*  
221 *the Administrator to issue a formal notice to proceed to Custom Builders in*  
222 *accordance with the terms of this resolution on advice of counsel, receipt of a*  
223 *signed contract and required bonds and insurance*  
224 *documentation; and*  
225

226 *BE IT FINALLY RESOLVED that the MCWD Board of Managers authorizes*  
227 *the Administrator, on advice of counsel, to retain Wenck Associates and Hart*  
228 *Howerton to provide construction oversight in amounts not to exceed \$40,000*  
229 *and \$37,450, respectively.*  
230

231 *Upon vote, the motion carried, 6-0 (Manager Blixt absent.)*  
232

233 **Resolution 15-009, Authorization to Pursue Restoration of Reach 15 in Lieu of**  
234 **Bypass Channel Project**  
235

236 Ms. Becky Christopher appeared before the Board of Managers to review the request for  
237 board action. *Following discussion, it was moved by Manager Miller, seconded by*  
238 *Manager Shekleton, to adopt Resolution 15-009 as follows:*  
239

240 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*  
241 *Watershed District Board of Managers authorizes staff to pursue plans for*  
242 *removal of the West 54th St. grade control structure and restoration of Reach*  
243 *15 through Arden Park in lieu of the previously ordered fish bypass channel*  
244 *project.*  
245

246 *Upon vote, the motion carried, 7-0.*  
247

248 **Resolution 15-010, Authorization to Complete Additional Investigation of Presumed**  
249 **Asbestos-Containing Material at the 325 Blake Road property**  
250

251 Mr. Michael Hayman appeared before the Board of Managers and reviewed the request for board  
252 action. *Following discussion, it was moved by Manager Miller, seconded by Manager Casale*  
253 *to adopt Resolution 15-010 as follows:*  
254

255 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*  
256 *Watershed District Board of Managers hereby authorize the District*  
257 *Administrator to amend the agreement with Wenck Associates in an amount not*  
258 *to exceed \$12,365 to complete additional investigation at the 325 Blake Road*  
259 *property.*  
260

261 *Upon vote, the motion carried, 7-0.*  
262

263 **Resolution 15-011, Authorization to Execute a Memorandum of Understanding With**  
264 **Stonegate Farm Inc. for Conservation Planning**

265  
266 Mr. James Wisker appeared before the Board of Managers and reviewed the request for board  
267 action. *Following discussion, it was moved by Manager Calkins, seconded by Manager Miller,*  
268 *to adopt Resolution 15-011 as follows:*

269  
270 *NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek*  
271 *Watershed District Board of Managers hereby authorizes the execution of a*  
272 *Memorandum of Understanding between the District, Stonegate Farm Inc. and*  
273 *Property Resources Development Corporation; and*

274  
275 *NOW, THEREFORE, BE IT FURTHER RESOLVED that the Minnehaha*  
276 *Creek Watershed District Board of Managers hereby authorizes minor non-*  
277 *substantive revisions to be made to the memorandum of understanding prior to*  
278 *execution, on advice of District counsel.*

279  
280 *Upon vote, the motion carried, 7-0.*

281  
282 **District Administrator Contract**

283  
284 Mr. Smith noted that at the direction of the Board of Managers, he had met with Mr.  
285 David Unmacht and Mr. Lars Erdahl to discuss a proposed contract for the new  
286 Administrator. Mr. Smith provided an overview of the proposed employment agreement,  
287 noting that both he and Mr. Unmacht recommended the agreement as in the interest of the  
288 District. He noted that he had inserted the phrase “after February 8, 2016” in the second  
289 paragraph of Section 14 for clarification. Following a question from Manager Olson, Mr.  
290 Smith explained the vacation provisions. Manager Blixt stated that she was opposed to  
291 hiring Mr. Erdahl because she felt he lacked experience in local government and water  
292 resources management. She stated that she was concerned with the “for cause” provision  
293 of the agreement because for one year, this provision would restrict the ability of the  
294 Board of Managers to make changes, and she felt this would also present a burden on the  
295 staff and future Board members.

296  
297 Manager Miller stated that he felt that under the circumstances, a year of stability for the  
298 new Administrator is appropriate, and that Mr. Erdahl is a sophisticated and experienced  
299 professional who will enjoy the support of the District staff. Manager Shekleton stated  
300 that Manager Blixt’s comments had been consistent. He stated that he felt that the search  
301 process had been rigorous and yielded four strong finalists. He stated that he felt that Mr.  
302 Erdahl was the best choice, and that his experience with budget and management of staff  
303 would be important strengths in this position. He noted that Jeff Spartz as Interim  
304 Administrator came to the District with no previous natural resources experience, but his  
305 approach with the District staff has been very successful. Manager Miller noted that he  
306 had received a number of comments from leaders in the community supportive of Mr.

307 Erdahl in this role. President White stated she was pleased to support Mr. Erdahl, and that  
 308 he came through a very strong search process. Manager Casale stated that as part of the  
 309 working group to guide the search process he had been through two full days of  
 310 interviews with excellent candidates, and that Mr. Erdahl was the strongest amongst  
 311 them. Manager Casale stated that in his view the staff seem excited with this transition,  
 312 and that he had also received positive comments from the community supportive of Mr.  
 313 Erdahl. Manager Shekleton expressed his thanks to Manager Blixt, Manager Casale, and  
 314 other members of the Board for the thorough engagement in this process.  
 315

316 ***Upon roll call vote, the managers voted to approve the proposed employment***  
 317 ***agreement with Mr. Erdahl as revised by Mr. Smith:***  
 318  
 319

	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Pam Blixt		X		
James Calkins		X		
Jeffery Casale	X			
Richard Miller	X			
William Olson		X		
Brian Shekleton	X			
Sherry Davis White	X			

320  
 321 ***Upon Vote, the motion carried 4-3.***  
 322

323 Mr. Lars Erdahl appeared before the Board of Managers to express his appreciation for  
 324 this process and his commitment to earning the trust of every member of the Board and  
 325 staff. He stated his commitment to continuing the tradition of excellence in stewardship  
 326 of water resources, and that he looked forward to the challenges ahead with better  
 327 opportunities for everyone to collaborate together.  
 328

329 **BOARD DISCUSSION ITEMS**

330  
 331 2014 Flood Report  
 332

333 Ms. Tiffany Schaufler appeared before the Board of Managers and reviewed the key  
 334 findings of the 2014 flood report. The managers thanked Ms. Schaufler for her report.  
 335

336 Zumbra Ridge Homeowners Association Correspondence  
 337

338 Mr. James Wisker appeared before the Board of Managers and noted the letter and  
 339 memorandum in the meeting materials. He noted that while the District is not a lead  
 340 agency in this circumstance, it can provide helpful coordination on gathering information  
 341 and analyzing potential solutions to flooding in this area. He recommended that the  
 342 District retain Wench Associates in an amount not to exceed \$10,000 to provide initial  
 343 analysis of these issues. Manager Olson stated that he had attended a meeting and noted



344 that there was a lot of history in this area and that there was a need for solutions.  
345 ***Following discussion, it was moved by Manager Olson, seconded by Manager Blixt, to***  
346 ***approve retaining Wenck Associates in an amount not to exceed \$10,000 for analyzing***  
347 ***the flooding problems at Zumbra Ridge. Upon vote, the motion carried, 7-0.***

348  
349 Aquatic Invasive Species Legislation

350  
351 Manager Shekleton noted a recent news story concerning Mr. Joel Carlson and the resort  
352 owners supporting repeal of the DNR decal, AIS education and inspection program.  
353 Manager Shekleton reported that he had discussed this situation with Mr. Carlson and  
354 reviewed alternatives to legislative representation concerning this issue. Managers noted  
355 ongoing support for Mr. Carlson in representing the District generally at the Legislature,  
356 but expressed concern about his ability to address this AIS issue given his relationship  
357 with the resort owners. ***Following discussion, it was moved by Manager Miller,***  
358 ***seconded by Manager Casale, to direct legal counsel and Manager Shekleton to work***  
359 ***together to retain legislative representation on the AIS issue specifically, separate from***  
360 ***Mr. Carlson. Upon vote, the motion carried, 7-0.***

361  
362 Election of Officers

363  
364 Manager Miller nominated Sherry White for President. There were no other nominations.  
365 ***Upon vote, the managers elected Sherry White President, 4-3 (Blixt, Calkins and***  
366 ***Olson).***

367  
368 Manager Miller nominated Brian Shekleton for Vice President. There were no further  
369 nominations. ***Upon vote, the managers elected Brian Shekleton Vice President, 4-3***  
370 ***(Blixt, Calkins and Olson).***

371  
372 President White nominated Richard Miller for Treasurer. There were no further  
373 nominations. ***Upon vote, the managers elected Richard Miller Treasurer, 6-1 (Blixt).***

374  
375 Manager Shekleton nominated Jeff Casale for Secretary. There were no further  
376 nominations. ***Upon vote, the managers elected Jeff Casale Secretary, 5-2 (Blixt,***  
377 ***Calkins).***

378  
379 Administrator's Report

380  
381 Noting the absence of Mr. Spartz, Mr. James Wisker appeared before the Board of  
382 Managers to report that he is continuing discussion with the Minneapolis Park and  
383 Recreation Board on golf course planning and potential partnership. He also noted  
384 ongoing discussions with Park Nicollet as they are planning the upgrading of operating  
385 rooms at Methodist Hospital near the loading docks which have been flooded in the past.  
386 Mr. Wisker also noted a clean water legacy grant in the amount of \$40,000 for Mud Lake  
387 flooding analysis and pollutant loading analysis.

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389 Boat Manufacturers Meeting

390

391 Manager Olson reported on his attendance at a national meeting of boat manufacturers  
392 for a highly successful discussion of issues involving boat design and prevention of the  
393 spread of aquatic invasive species.

394

395 ADJOURNMENT

396

397 There being no further business, the regular meeting of the Board of Managers was adjourned at  
398 10:09 p.m.

399

400 Respectfully submitted,

401

402

403

404 Jeffery Casale

405 Secretary

DRAFT