



45 **CONSENT AGENDA**

46  
47 *Manager Miller moved and Manager Becker seconded approval of the consent agenda,*  
48 *consisting of: approval of the December 13, 2018, minutes; approval of the general checking*  
49 *and surety account check registers, with the general checking account register consisting of*  
50 *checks 39445 through 39508 totaling \$739,410.45, payroll direct deposits totaling \$196,439.42,*  
51 *and electronic fund withdrawals totaling \$881,804.67, for total expenses of \$1,817,764.54; and*  
52 *adoption of:*

53  
54 **Resolution 18-124: 2019 MCWD Meeting Schedule**

55  
56 *BE IT RESOLVED, that the Minnehaha Creek Watershed District, Board of*  
57 *Managers hereby approves the following 2019 meeting schedule. Unless*  
58 *otherwise posted, Citizens Advisory Committee Meeting will start at 6:30 p.m.,*  
59 *Committee Meetings will start at 5:15 p.m., Workshops and Board meetings will*  
60 *start at 7 p.m. Executive Committee meetings are scheduled as needed and will*  
61 *be held prior to Board meetings.*

<i>1/2/2019</i>	<i>Citizens Advisory Committee</i>	<i>7/3/2019</i>	<i>Citizens Advisory Committee</i>
<i>1/10/2019</i>	<i>Operations and Programs Committee</i>	<i>7/11/2019</i>	<i>Operations and Programs Committee</i>
	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>1/24/2019</i>	<i>Policy and Planning Committee</i>	<i>7/25/2019</i>	<i>Policy and Planning Committee</i>
	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>2/6/2019</i>	<i>Citizens Advisory Committee</i>	<i>8/8/2019</i>	<i>Operations and Programs Committee</i>
			<i>Board Meeting</i>
<i>2/14/2019</i>	<i>Operations and Programs Committee</i>	<i>8/14/2019</i>	<i>Citizens Advisory Committee</i>
	<i>Board Meeting</i>		
<i>2/28/2019</i>	<i>Policy and Planning Committee</i>	<i>8/22/2019</i>	<i>Policy and Planning Committee</i>
	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>3/6/2019</i>	<i>Citizens Advisory Committee</i>	<i>9/4/2019</i>	<i>Citizens Advisory Committee</i>
<i>3/14/2019</i>	<i>Operations and Programs Committee</i>	<i>9/12/2019</i>	<i>Operations and Programs Committee</i>
	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>3/28/2019</i>	<i>Policy and Planning Committee</i>	<i>9/26/2019</i>	<i>Policy and Planning Committee</i>
	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>4/3/2019</i>	<i>Citizens Advisory Committee</i>	<i>10/2/2019</i>	<i>Citizens Advisory Committee</i>
<i>4/11/2019</i>	<i>Operations and Programs Committee</i>	<i>10/10/2019</i>	<i>Operations and Programs Committee</i>
	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>4/25/2019</i>	<i>Policy and Planning Committee</i>	<i>10/24/2019</i>	<i>Policy and Planning Committee</i>

Minutes of the Regular Meeting  
 Minnehaha Creek Watershed District  
 Board of Managers  
 12-20-2018

	<i>Board Meeting</i>		<i>Board Meeting</i>
<i>5/1/2019</i>	<i>Citizens Advisory Committee</i>	<i>11/7/2019</i>	<i>Operations and Programs Committee Board Meeting</i>
<i>5/9/2019</i>	<i>Operations and Programs Committee Board Meeting</i>	<i>11/13/2019</i>	<i>Citizens Advisory Committee</i>
<i>5/23/2019</i>	<i>Policy and Planning Committee Board Meeting</i>	<i>11/21/2019</i>	<i>Policy and Planning Committee Board Meeting</i>
<i>6/5/2019</i>	<i>Citizens Advisory Committee</i>	<i>12/5/2019</i>	<i>Operations and Programs Committee Board Meeting</i>
<i>6/13/2019</i>	<i>Operations and Programs Committee Board Meeting</i>	<i>12/11/2019</i>	<i>Citizens Advisory Committee</i>
<i>6/27/2019</i>	<i>Policy and Planning Committee Board Meeting</i>	<i>12/19/2019</i>	<i>Policy and Planning Committee Board Meeting</i>

62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88

**Resolution 18-125: Authorization to Purchase Power Cords for Aeration Unit Operations**

*NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorizes the Administrator to purchase power cords to facilitate shallow lake aeration for the Six Mile Creek-Halsted Bay Habitat Restoration Program for an estimated cost of \$24,000, and establishes a not to exceed budget of \$26,400.*

*Upon vote, the motion carried 4-0.*

**REGULAR AGENDA**

**Board, Committee and Task Force Reports**

Manager White stated that she did not have a president’s report. Manager Miller reported from the Planning and Policy Committee meeting, stating that the committee received an overview from staff on work in Carver County and the City of Victoria, where there is a great deal of work yet to be done but all is off to a good start. He said the committee also discussed improvements to the creek in the City of Minneapolis and heard about the significant amount of participation from interested parties that the District is enjoying.

Manager White stated that the list of upcoming meetings and events in the agenda is unchanged, though that the calendar of district meetings is no longer tentative given the managers’ approval of the 2019 schedule as one of the consent items this evening.

89 **PERMITS REQUIRING A VARIANCE OR DISCUSSION**

90

91 Permit 18-670: Emergency Relief Structure 04/Minnesota 344 Tunnel, Minnehaha Regional  
92 Parkway

93

94 Elizabeth Showalter presented staff's report on the proposed tunnel-improvement project  
95 adjacent to Minnehaha Creek near Highway 55. She described the work to be completed by  
96 Metropolitan Council, which involves establishing a temporary crossing over the creek while a  
97 liner is measured, then fabricated for the inside of the tunnel. The liner will then installed in the  
98 tunnel. Ms. Showalter noted that the project represents a new approach to maintaining the  
99 integrity of the tunnel, taken by Met Council in response to concerns about the impact the prior  
100 repair design may have on Coldwater Springs. She said the permit is on the agenda this evening  
101 because of the history around the work. Ms. Showalter said that the project triggers the District's  
102 Erosion Control Rule, as well as the Floodplain Alteration Rule and Waterbody Crossings and  
103 Structures Rule. Ms. Showalter reviewed the project's compliance with each of the rules and  
104 explained that in each case the applicant has shown that it is meeting applicable requirements.  
105 ***Manager Miller moved and Manager Becker seconded approval of permit 18-670 with the***  
106 ***conditions recommended by staff.*** In response to questions from the managers, Chad Davidson  
107 from the Metropolitan Council came forward and noted that the cost of the project has increased  
108 but not substantially from the prior design.

109

110 Resolution 18-133: Authorization to Support MAISRC Research to Improve Carp Removal  
111 Efficiency in Six Mile Creek-Halsted Bay Subwatershed

112

113 Eric Fieldseth appeared before the Board of Managers to present a late-developing item whereby  
114 the Minnesota Aquatic Invasive Species Research Center Council is requesting District support  
115 to undertake additional research on removal of carp from the Six Mile Creek subwatershed. He  
116 said that the proposed work will provide additional support to the District's efforts in the  
117 subwatershed but does not involve a commitment of funds beyond what was already in the  
118 District's budget for work in the area. ***Manager Becker moved and Manager Miller seconded***  
119 ***adoption of Resolution 18-133, authorizing the administrator to provide a letter of support and***  
120 ***commitment to an in-kind match of \$90,671 to support research that will improve carp-***  
121 ***removal efforts in the Six Mile Creek-Halsted Bay Subwatershed. Upon vote, the motion***  
122 ***carried 4-0.***

123

124 Resolution 18-126: Acceptance of 2018 Classification and Compensation Study Results and  
125 Adoption of Pay Structure

126

127 Administrator James Wisker came before the Board of Managers along with T.L. Cox of  
128 Springsted Associates to present results of the classification and compensation study that serves  
129 as the basis for the proposed pay structure. Mr. Wisker described the process undertaken to  
130 compare and classify Minnehaha Creek Watershed District jobs in relation to others in the area.  
131 He reviewed the findings and the proposed action that staff and the Springsted consultants  
132 recommend to the board. Mr. Cox described the study process and results of the survey, as well

133 as a description of the proprietary review tools that are incorporated into the pay structure  
134 recommended to the managers. **Manager Miller moved and Manager Becker seconded**  
135 **adoption of Resolution 18-126. Upon vote, the motion carried 4-0.**

136  
137 Resolution 18-127: Approval of Financial Management Internal Controls  
138

139 Cathy Reynolds appeared to present updated internal controls designed to promote accountability  
140 and prevent fraud in the District's operations. She stated that the proposed updates were  
141 presented to the District's auditor, who provided a few notes on them. Responses to those notes  
142 has been incorporated into the final version that is before the managers. Manager Miller noted  
143 that in future and as a general practice, the managers should receive a redlined version of  
144 documents that are being updated from prior documents that have been approved by the board.  
145 He also was curious to know whether the auditor had provided a letter or findings on the  
146 proposed internal controls. Mr. Wisker said that staff will indeed provide redline documents for  
147 the managers in the future, and Ms. Reynolds stated that she did not request a letter from the  
148 auditor but rather had an email exchange. She stated that she would forward the email from the  
149 auditor to Manager Miller. **Manager Becker moved and Manager Loftus seconded adoption of**  
150 **Resolution 18-127.** In response to a question from Manager Loftus, Ms. Reynolds stated that the  
151 auditor recommended a few additional steps with regard to separation of duties that are not really  
152 feasible because the District has the duties in question performed by only one person. Manager  
153 Miller asked whether the District has received notice from the bank that the 325 Blake Road  
154 checking account has been closed. Ms. Reynolds stated that she has received a final statement  
155 from the bank that indicates that the account is closed. **Upon vote, the motion carried 4-0.**

156  
157 Resolution 18-128: Approval of Minnetonka Local Water Management Plan  
158

159 Renae Clark came before the board to present the proposed approval of the City of Minnetonka's  
160 local water management plan for inclusion in the city's comprehensive plan. She stated that  
161 District staff have provided notes to the city on iterations of the plan, and the city staff have  
162 responded to all of the District's questions such that now it is recommended that the managers  
163 approve the city's plan. **Manager Miller moved and Manager Loftus seconded adoption of**  
164 **Resolution 18-128. Upon vote, the motion carried 4-0.**

165  
166 Resolution 18-129: Approval of Plymouth Local Water Management Plan  
167

168 Ms. Clark continued, presenting a review of the City of Plymouth's local water management  
169 plan. In response to a question from Manager Miller, Ms. Clark stated that staff has not  
170 completed the specific analysis that would be necessary to define the efforts that would be  
171 needed to remove Gleason Lake from the state impaired waters list. She stated that the ideas for  
172 projects are in place, but the data analysis that would be needed to determine which of the  
173 projects would be the highest priority has not been completed. **Manager Miller moved and**  
174 **Manager Becker seconded adoption of Resolution 18-129. Upon vote, the motion carried 4-0.**  
175 Michael Welch noted that Ms. Clark identified in her informational memo that Metropolitan  
176 Council is not requiring watershed district approval of local water management plans in

177 reviewing city comprehensive plans. He assured the managers that Smith Partners is aware of  
178 and pursuing this matter and will bring recommendations to the managers as may be appropriate.  
179

180 Resolution 18-130: Authorization to Purchase Confined Space Entry Equipment

181  
182 Kailey Cermak came before the Board of Managers to describe the District needs for confined-  
183 spaced entries and the cost associated with hiring a consultant to perform such work, which is  
184 needed for inspections. She stated that staff has investigated purchase of the necessary equipment  
185 for use by staff, along with training and certification needed to perform confined-space entries.  
186 She recommends that the managers authorize the purchase as described in the request for board  
187 action. ***Manager Miller moved and Manager Loftus seconded adoption of Resolution 18-130.***  
188 ***Upon vote, the motion carried 4-0.***  
189

190 Resolution 18-131: Approve CAC By-laws

191  
192 Darren Lochner came before the Board of Managers and described the amendments that have  
193 been made to the Citizen Advisory Committee bylaws and to note that the CAC adopted them in  
194 October. He noted that legal counsel has made staff aware that the managers may approve or  
195 simply accept the CAC bylaw changes. Manager Miller noted again that he would like to see  
196 redlined changes. In response to a question from Manager White, Mr. Welch stated that legal  
197 counsel recommends that the managers adopt a revised resolution accepting the updated CAC  
198 bylaws. ***Manager Miller moved and Manager Becker seconded to accept the updated Citizen***  
199 ***Advisory Committee bylaws. Upon vote, the motion carried 4-0.***  
200

201 Resolution 18-132: Approved 2019 CAC Appointments and Board Liaisons

202  
203 Mr. Lochner continued with a request for board action on appointments to the Citizens Advisory  
204 Committee. He stated that 13 of the 14 individuals who serve on the CAC have indicated interest  
205 in returning and staff recommends that those 13 be reappointed and continue to serve, with no  
206 solicitation of additional members. He added that in 2018 two members left during the course of  
207 the year. ***Manager Miller moved and Manager Becker seconded adoption of resolution 18-132.***  
208 Manager White noted that letters will be going out to CAC members this week, thanking them  
209 for their service. ***Upon vote, the motion carried 4-0.***  
210

211 **BOARD DISCUSSION ITEM**

212  
213 Implementation of 2018 Classification and Compensation

214  
215 Mr. Wisker again appeared before the managers to solicit direction on implementation of the  
216 classification and compensation policy. He said that with guidance from the managers, he will  
217 revise the implementation plan provided to the board in draft form tonight for approval at the  
218 January 10 meeting. He said that he is proposing to discuss this with the board this evening with  
219 a goal of providing clarity for staff over the long haul on how they can move through the pay  
220 ranges that were established in the salary structure approved tonight.

Minutes of the Regular Meeting  
Minnehaha Creek Watershed District  
Board of Managers  
12-20-2018

221

222 Mr. Wisker reviewed each section of the plan. He started with the overarching policy statement,  
223 articulating the organization's interest in providing competitive pay in a structured tied to its  
224 strategic goals. In response to a question from Manager Miller, Mr. Wisker stated that the  
225 District's policies will be tied into the governance policies and implementation plan for the  
226 compensation program when presented in January. He asked managers for any feedback.  
227 Manager Loftus stated that the plan indicates that a formal comprehensive and compensation  
228 study will be conducted every five years; she recommended that that be changed to "every five  
229 years as needed" so that the study need not necessarily be conducted if managers find that it's  
230 not needed on that timeline.

231

232 Mr. Wisker reviewed the administration of the compensation plan. Manager Becker stated that  
233 with regard to the 90- or 180-day reviews for new staff, the plan should specify that these are  
234 performance reviews.

235

236 Mr. Wisker described what he called the heart of the policy, which is the explanation of how  
237 staff move through the pay ranges established in the pay structure. He stated that the minimum to  
238 mid-level range will be achieved by staff who are performing their duties, and the mid-level to  
239 maximum range will be for staff who consistently perform above standards. Manager Becker  
240 pointed out that the salary range possibilities are a little tighter than the 40 percent of the spread  
241 that is shown in the policy, and he suggested that it would wise to use the entirety of that range.  
242 Mr. Cox and Mr. Wisker agreed.

243

244 Mr. Wisker described the use of Springsted's proprietary SAFE job evaluation system and the  
245 ties to the governance policies. He noted that the keys to this process are routine evaluation of  
246 strategic needs and realignment to the human resources function of the District, a review of the  
247 departmental needs through the organization lens, consistent review of reclassifications and new  
248 positions and rescheduling of review periods and, finally, board approval of fiscal and  
249 organizational changes.

250

251 Manager Loftus stated that the District is proceeding with only half of the picture of the  
252 compensation at this time, because while the pay schedule has been adopted that does not  
253 address benefits as part of the compensation policy. She stated that she realizes that the benefits  
254 plan won't be reviewed until later in the year, but does not see any pressing timeframe to adopt  
255 the implementation plan before that benefits-package review is completed in June or so. Manager  
256 White stated that she feels that the District should move ahead with adopting the pay  
257 compensation policy because it's not possible to review the benefits and to know what the  
258 correct decision is for the benefits until that review is completed in May or June. Mr. Cox stated  
259 that the District probably will use a benefits broker to assess the market and the broker will  
260 suggest changes to the package of benefits available to the District. Mr. Wisker stated that in the  
261 policy the District would be looking to define the District's engagement in the benefits piece but  
262 not state any specifics about how benefits fit into the compensation package. He said the  
263 compensation salary structure is easier to benchmark where benefits are more complicated.  
264 Manager Loftus stated that the level of detail needed for benefits is similar to the level of detail

Minutes of the Regular Meeting  
Minnehaha Creek Watershed District  
Board of Managers  
12-20-2018

265 needed for compensation, and that based on the compensation review provided by Springsted,  
266 the District's benefits are out of round with the broader marketplace. She said the District  
267 appears to have time to address this in the compensation policy. Manager Becker asked why both  
268 are needed when the District retains the ability to change the benefits package after review later  
269 in the year. He said that the District should be able to make the salary and benefits decisions  
270 independently.

271  
272 Mr. Wisker stated that the policy gives the District staff and board a level of guidance and that he  
273 would propose to bring that forward on January 10, but needs definitive direction from the  
274 managers. Manager Miller stated that he agrees with the concept of salary and benefits being  
275 addressed together in the compensation policy, but that the District has a great deal of  
276 information on its human resources operations in hand and he does have a sense of urgency  
277 regarding adoption of a compensation policy. He noted that it could have a detrimental effect on  
278 staff not to go ahead and adopt the policy sooner rather than later.

279  
280 Mr. Wisker stated that the cost and process to implement the compensation policy including the  
281 benefits package will be informed by the policy. He stated that the two options in front of the  
282 managers are to adjust salaries in accordance with the budget expectation or to make the \$32,000  
283 in adjustments outlined to better and more quickly align salaries with the scales established in the  
284 compensation policy.

285  
286 The managers discussed how the District's competitive position fits in regard to cost of benefits.  
287 The managers indicated interest in moving the District away from the out-of-sync review of the  
288 benefits package by approving an 18-month benefits package later in 2019. Mr. Wisker stated  
289 that it is an option to bring a granular benefits analysis to the Operations and Programs  
290 Committee at its meeting in early January, then bring the salary and benefits information in a  
291 comprehensive package together on January 24.

292  
293 Manager Becker noted that the District is at 100 percent of the benefits range, but \$2,000 under  
294 the total benefits cost and he's not clear how that happens. Mr. Cox responded that there are a lot  
295 of factors that go into establishing the benefits package and ranking it against others in the area  
296 and the purpose is to give the managers information on what it is paying relative to the market.

297  
298 The managers discussed the structure and timeframe for bringing the implementation plan to the  
299 managers for approval. Manager Loftus reiterated that she understands as far as the  
300 compensation policy goes the granular analysis of the benefits packet is not needed but rather the  
301 District just needs to set a direction with regard to benefits in its compensation policy. She said  
302 she is concerned about where the District is at in the broader marketplace with regard to its  
303 benefits packet. The managers noted that the salary structure is not totally being fixed at this  
304 point, and there will be opportunity for further development.

305  
306 The managers decided to consider approval of the implementation plan at the January 10  
307 meeting.

308



Minutes of the Regular Meeting  
Minnehaha Creek Watershed District  
Board of Managers  
12-20-2018

309

310 Staff Updates

311

312 Mr. Wisker noted that he does not have an administrator's report.

313

314 Mr. Welch noted the release of a new federal definition of "waters of the United States," and said  
315 that counsel will continue to track the resulting changes to federal jurisdiction and advise the  
316 managers as to effects, if any, on the District's work.

317

318 **ADJOURNMENT**

319

320 There being no further business, the meeting of the board of managers adjourned at 9:40 p.m.

321

322 Respectfully submitted,

323

324

325 Kurt Rogness, Secretary

DRAFT