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

July 27, 2017

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**CALL TO ORDER**

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The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called to order by President Sherry White at 6:51 p.m. on July 27, 2017, at the MCWD offices, 15320 Minnetonka Boulevard, Minnetonka, Minnesota.

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**MANAGERS PRESENT**

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Sherry White, Brian Shekleton, Richard Miller, William Olson, William Becker and Jessica Loftus.

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**MANAGERS ABSENT**

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Kurt Rogness.

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**DISTRICT STAFF AND CONSULTANTS PRESENT**

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Lars Erdahl, Administrator; James Wisker, Planning and Projects Director; Katherine Sylvia, Permitting Program Lead; Michael Hayman, Planner-Project Manager; Becky Christopher, Lead Planner-Project Manager; Louis Smith, District Counsel.

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**MATTERS FROM THE FLOOR**

Mr. Gabriel Jabbour, Orono, appeared before the Board of Managers and stated that he wished to discuss current planning discussions and recent activities at Big Island on Lake Minnetonka. He reminded the Board of Managers that when he was Mayor of Orono, the City and the District worked together to mobilize the funding and conservation planning for Big Island. Mr. Jabbour stated he is now concerned that the new Mayor and City Council are undertaking planning activities which are not consistent with the intended passive recreational and conservation values. Mr. Jabbour requested that the District become more actively engaged in the Big Island discussions, and also consider sharing its easement with another conservation organization such as the Minnesota Land Trust.

Manager Shekleton asked Mr. Jabbour how he wished the District to engage differently on this issue. Mr. Jabbour stated that he felt the District could more actively explain the rationale and values behind the initial conservation easement and improvements made to Big Island. President White stated that this issue should be approached with some caution and care. Manager Miller stated that he is anxious to discuss the issue and consider Mr. Jabbour's request. Mr. Erdahl noted that the District had discussed this matter in past meetings and that staff intended to attend an upcoming meeting in August. Manager

47 Loftus noted past Board discussions, and also that the City appears to be advertising ideas  
48 that are not necessarily in keeping with the conservation values. She stated that it would  
49 be appropriate to explore the concept of sharing the conservation easement and also  
50 consider how the District's message can get across.

51  
52 Following discussion, President White directed that this matter be on the agenda for the  
53 next meeting of the Board of Managers on August 10. Manager Becker requested that  
54 staff and legal counsel brief the Board of Managers on the option of sharing the  
55 conservation easement with Minnesota Land Trust by that meeting. President White  
56 thanked Mr. Jabbour for his presentation.

57

58 **APPROVAL OF THE AGENDA**

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60 *It was moved by Manager Miller, seconded by Manager Becker, to approve the agenda*  
61 *as distributed. Upon vote, the motion carried, 6-0.*

62

63 **INFORMATION ITEMS CORRESPONDENCE**

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65 President White noted receipt of a letter from Mr. Steven Timmer concerning Arden Park  
66 in Edina.

67

68 **CONSENT AGENDA**

69

70 *It was moved by Manager Miller, seconded by Manager Shekleton to approve the*  
71 *following items on the Consent Agenda: approval of the minutes of the July 13, 2017*  
72 *meeting of the Board of Managers; approval of the general checking account, checks*  
73 *numbered 38358 to 38426 for a total of \$327,046.30, payroll direct deposits of*  
74 *\$150,285.51 and approve electronic fund withdrawals totaling \$61,764.09 for total*  
75 *expenses of \$539,095.09, and surety account check registers, as well as acceptance of*  
76 *the 325 Blake Road checking account.*

77

78 *Upon vote, the motion carried, 6-0.*

79

80 **REGULAR AGENDA**

81

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

83

84 **President's Report:**

85

86 President White reported that she and Manager Olson attended the July 18 meeting of the  
87 Metropolitan Chapter of the Minnesota Association of Watershed Districts (MAWD).

88 Agencies provided updates, and there was a discussion of proposed changes to the

89 MAWD Bylaws from the Prior-Lake Spring Lake Watershed District. Manager Olson

90 noted that applications have been received for a new Administrator of MAWD, but there

91 may be an extension of the deadline in order to encourage more applicants. President  
92 White also noted that the Association of District Administrators are planning to update  
93 their name in order to embrace organizations other than watershed districts.

94

95 Policy and Planning Committee Report

96

97 Manager Miller reported that the Policy and Planning Committee had met earlier that  
98 evening and considered recommendations for Watershed Heroes awards; reviewed a  
99 framework for upcoming work plans; received an update on the Minnehaha Creek  
100 Corridor work in cooperation with the City of Minneapolis and the Minneapolis Park and  
101 Recreation Board; considered potential applications for state grants; and considered a  
102 new potential land development opportunity on the Minnehaha Creek Greenway.

103

104 Permits Requiring a Variance or Discussion

105

106 Permit 17-262: Maynard's, 685 Excelsior Boulevard, Excelsior

107

108 Ms. Katherina Sylvia appeared before the Board of Managers and reviewed the  
109 application. She noted that the District had received a request for a hearing on the  
110 proposed variance. An effort to discuss the matter with the party requesting the hearing  
111 was not successful, and the District is proceeding nevertheless with the public hearing on  
112 permit.

113

114 Ms. Sylvia reviewed the permit application report and explained that the application met  
115 all of the District's requirements for floodplain alteration, erosion control, and  
116 stormwater management. Ms. Sylvia stated that all conditions have been met and  
117 recommended approval of the permit. No one else appeared before the Board of  
118 Managers to comment on the application. ***It was moved by Manager Olson, seconded by***  
119 ***Manager Becker, to approve the permit application as recommended by staff. Upon***  
120 ***vote, the motion carried.***

121

122 **ACTION ITEMS**

123

124 Resolution 17-044: Authorization to Execute a Contract for Environmental Investigation  
125 at 325 Blake Road

126

127 Mr. Michael Hayman appeared before the Board of Managers and reviewed the Request  
128 for Board Action. He noted the timeline for the identified scope of work. He explained  
129 that the District would be contributing 25 percent of the cost to match a Hennepin County  
130 grant which covers 75 percent of the cost. Mr. Hayman explained that timing is of  
131 essence because the work needs to be completed by August 31 in order to facilitate a  
132 grant application submittal by November 1. Mr. Hayman also explained that the District  
133 is an end user of the proposed engineering services and recommended that the resolution  
134 be amended to authorize the Administrator to execute the contract on review and advice

135 of counsel, and also authorize the District Administrator to amend the contract as  
136 necessary up to 10 percent of the total cost. ***It was moved by Manager Becker, seconded***  
137 ***by Manager Miller, to adopt resolution 17-044 with the changes recommended by Mr.***  
138 ***Hayman. Upon vote, the motion carried 5-0, with Manager Shekleton abstaining.***

139

140 Resolution 17-045: Approval of Capital Improvement Plan

141

142 Ms. Becky Christopher appeared before the Board of Managers to review the Request for  
143 Board Action. She noted additional letters in the record expressing support for the Capital  
144 Improvement Plan, and also noted that staff and managers met yesterday with  
145 representatives of the City of Greenwood to discuss their interest and concerns with the  
146 Capital Improvement Plan. Ms. Christopher also noted that staff is continuing  
147 discussions with the City of Minneapolis pursuant to the process identified in the  
148 Memorandum of Understanding, and will be meeting with staff from the City of  
149 Plymouth to discuss proposed projects.

150

151 ***Following discussion, it was moved by Manager Shekleton, seconded by Manager***  
152 ***Miller, to approval Resolution 17-045.*** Manager Olson stated that he felt this Capital  
153 Improvement Program reflected outstanding work and he appreciated the many positive  
154 responses to the plan. Manager Miller also expressed his enthusiastic support for the plan  
155 and appreciation for amazing staff work. ***Upon vote, the motion carried, 6-0.***

156

157 Resolution 17-046: Authorization to Apply for Clean Water Fund Grants

158

159 Ms. Christopher appeared before the Board of Managers and reviewed the Request for  
160 Board Action. She noted that Clean Water Legacy grants maybe pursued for 325 Blake  
161 Road and Arden Park, and that a Hennepin County Natural Resources Opportunity Grant  
162 maybe applied for concerning Arden Park. ***It was moved by Manager Miller, seconded***  
163 ***by Manager Loftus, to adopt Resolution 17-046. Upon vote, the motion carried, 6-0.***

164

165 Resolution 17-047: Approval of the Revised Committee Meeting Structure

166

167 Manager Miller requested that this item be deferred to follow as a discussion item after  
168 item 12.1 on the agenda. President White concurred with this request.

169

## 170 **BOARD DISCUSSION ITEMS**

171

172 Human Resources Strategic Plan Study

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174 Mr. Erdahl introduced Ms. Ann Antonsen from Springsted to present her final report on  
175 the Human Resources Strategic Plan. Ms. Antonsen reviewed the study's objectives and  
176 methodology, and then presented her recommendations to address identified needs in the  
177 Research and Monitoring, Education and Outreach, Planning and Projects, and  
178 Operations & Support Services Departments.

179

180 Ms. Antonsen reviewed organization charts which displayed staff functions. Manager  
181 Loftus asked about an organizational chart showing positions by title. Ms. Antonsen said  
182 that she could prepare such a chart, but the focus here had been on functions, rather than  
183 individual staff members and their titles. Manager Loftus asked Ms. Antonsen to explain  
184 her recommendation concerning the issues arising with IT, finances, human resources,  
185 and operation support services. Manager Loftus stated that she was not clear what was  
186 recommended other than a name change. Ms. Antonsen explained that the  
187 recommendation was to move financial management and budget preparation back to  
188 Administration, and otherwise keep the structure the same for Administrative Services.  
189 Manager Loftus asked Ms. Antonsen if she believes this recommended change would  
190 solve the problems identified through the interviews. Ms. Antonsen stated that yes she  
191 did; she felt that the issue was not people, but rather adjusting the structure.

192

193 Manager Shekleton stated that it appeared to him that this was just moving deck chairs.  
194 Ms. Antonsen noted that the issue had been where the financial management activities  
195 belonged in terms of function, and that while these activities had taken place within  
196 Planning and Projects, it was appropriate it to move it back within Administrative  
197 Services.

198

199 Manager Loftus asked Ms. Antonsen to confirm, in light of her expertise and study of  
200 these matters, that there was no better structure for central services than the existing  
201 structure. Ms. Antonsen explained that the organization is too small for a dedicated  
202 human resources or finance staff position, and the functional need is for positions to fulfil  
203 a variety of these roles within Administrative Services.

204

205 Manager Miller stated that he felt that the recommendation was missing key points about  
206 strategic alignment for the organization. He stated that he is concerned that we are losing  
207 sight of mission and vision, and losing an opportunity to align the talented staff serving  
208 the District. ***It was moved by Manager Miller, seconded by Manager Shekleton to refer  
209 the human resources study and the Administrator's implementation recommendations  
210 to the Operations Committee, and requesting the President to appoint Manager Loftus  
211 as Chair and Managers Olson and Becker to serve on the Committee and work with the  
212 Administrator to develop further recommendations to the Board.***

213

214 Mr. Erdahl noted that Manager Miller's motion was generally consistent with his  
215 recommendations. He thought it was important to distinguish between organizations of  
216 the staff by function, compared to individual personnel decisions. He also noted that the  
217 Executive Committee had generally been charged with human resources matters, but that  
218 it was certainly the prerogative of the Board to refer these issues to a different committee.  
219 Mr. Erdahl reflected that this has been a very long process, and that some elements of  
220 transition have already occurred, through the budgeting process and other means. He  
221 reviewed the various phases of human resources strategic planning, and identified next  
222 steps and an action plan to improve function and address issues of concern.

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224 Manager Loftus asked for an explanation of existing FTEs and recommended FTEs. Mr.  
225 Erdahl provided a chart which outlined existing and recommended FTEs. Manager Loftus  
226 stated that she found the chart very helpful. President White questioned whether many of  
227 these issues are best addressed by a committee of the Board or would be better handled  
228 by the Administrator and staff. Manager Miller stated that the District was lacking  
229 adequate resolution of issues from the staff and thus he felt the Board needed to direct  
230 more action. President White noted that many of the recommended actions by Mr. Erdahl  
231 would occur by the end of the year, and she wondered how these implementation  
232 measures would proceed more quickly with a committee further engaged in this process.  
233 Manager Shekleton stated that he felt there was a strong value in an engaged Board of  
234 Managers to partner with staff, and for the Committee Chair to work closely with the  
235 Administrator and utilize a diversity of opinions and energy to achieve desired outcomes.  
236 He stated he felt that the proposed motion would provide more accountability in the  
237 process. Manager Becker noted that all paths can lead to the same outcome, but it was  
238 important to have a deadline. He stated he would prefer to leave many of these issues to  
239 the Administrator to resolve.

240

241 Manager Loftus stated that she liked including the second option on the organizational  
242 chart, and she appreciated the FTE chart as well. Manager Loftus stated that she did not  
243 still understand how the same structure could be proposed for Administrative Services; if  
244 everyone is performing well, then it doesn't make sense that the same structure would  
245 address the issues identified in the interviews; more clarity is needed. Manager Miller  
246 stated that he felt that the recommendations do not square with the findings from the  
247 interviews. Manager Loftus asked Ms. Antonsen whether it be possible to develop  
248 options for structure to address Administrative Services issues. Ms. Antonsen stated that  
249 she could provide more detail. Manager Shekleton stated that he felt it was important to  
250 move forward with the Board engaged in the process, and that in light of the upcoming  
251 budget process it would be workable for these issues to be addressed in a meaningful way  
252 within the month.

253

254 ***Upon vote, the motion carried 5-1, with President White voting against the motion.***

255

256 Mr. Erdahl stated that he felt that some of these implementation recommendations would  
257 also be addressed within work plan discussions as a part of the budget process. Manager  
258 Loftus stated that the Operations Committee could meet on August 7 at 2:00 p.m. She  
259 asked that Ms. Antonsen provide further details, with personnel titles, and reflect Option  
260 Two as provided in her report.

261

262 President White deferred any further discussion of the committee structure to a further  
263 meeting.

264

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266

**ADJOURNMENT**

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There being no further business, the meeting of the Board of Managers adjourned at 9:29 p.m.

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Respectfully submitted,

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Kurt Rogness, Secretary

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278

DRAFT