



Title:	Extending the Administrator’s Authority to Enter into Contracts for District Operations
Resolution number:	22-013
Prepared by:	Name: Deb Johnson Phone: 952.641.4500 djohnson @minnehahacreek.org
Reviewed by:	Name/Title: James Wisker, District Administrator
Recommended action:	Approval by Board of Managers
Budget considerations:	Only those currently within the Operations approved budget
Past Board Action:	None

Summary:

From time-to-time there is a need for District operational items to be purchased or services obtained where a contract is required, or an annual cost exceeds the Administrator’s current \$5,000 approval authority. These Operational goods or services do not affect the MCWD’s water resources goals or policies, but rather are expenditures to maintain the District facility and equipment, protect its assets and/or administer human resources functions. Goods or services such as those referenced below are accounted for within the Operations annual budget, with not-to-exceed set amounts, and approved by the Board of Managers.

The categories of expenditures, the types of services or goods that fall within each category and the 2022 approved budget allocation for each is noted below. Unless otherwise noted, the budget allocation figures noted below apply only to the Operations department and only for the current budget year.

- Unemployment Reimbursement (4035): \$10,000 – reimbursement to the State if a former employee has claimed and is eligible for unemployment benefits as determined by the State
- Employee Benefits (4050): \$345,622 – includes contract renewals for medical, dental, and ancillary benefits District-wide
- Staff Training (4065): \$8,500 – conference registrations and associated expenditures that may include airfare and hotel
- Dues & Subscriptions (4250): \$13,000 – includes annual MAWD, League of Minnesota Cities and APA memberships
- Rentals and Leases (4265): \$13,500 – includes monthly storage facility rental, copier and postage machine leases
- Property/Casualty and Workers' Compensation Insurance (4280): \$81,000 – annual renewal of District policies
- Equipment & Supplies (4570): \$15,000 – includes miscellaneous items such as fluorescent bulbs, furnace filters and workstation related items
- Repairs and Maintenance (4575): \$56,500 – includes grounds maintenance, cleaning, plumbing and HVAC services
- Utilities (4963): \$66,500 – includes trash and recycling, office Internet and phone service, water/sewer service, gas and electric

This is a clarifying procedural change only for Operations routine and on-going maintenance, repairs, or purchases of facility equipment or services, to ensure Operations contracts comply with existing governance policies and that the Board and staff maintain clear shared expectations of process.

This does not eliminate the need for board action and approval on all Operational purchases or those required by statute.

Supporting documents (list attachments):

N/A



RESOLUTION

Resolution number: 22-013

Title: Extending the Administrator's Authority to Enter into Contracts for Operations

WHEREAS, the bylaws of the Minnehaha Creek Watershed District (District or MCWD) Board of Managers, as further set forth in Governance Policy #6 – Executive Limitations, delegate to the District Administrator the authority to bind the District to a purchase of goods or services, or to enter into a contract for same, when the cost thereof does not exceed \$5,000, or under other specified conditions; and

WHEREAS, the Board reserves the authority to approve District contracts when spending decisions reflect District policy choices in pursuing its water resource mandates; when spending reflects decisions as to how funds should be allocated among priorities; and when the Board ultimately is responsible for how the District manages its public funds; and

WHEREAS, when the MCWD commits to spending in the realm of District operations, such commitments bear a limited relation to policy judgments as to how the MCWD pursues its water resource goals or chooses among program priorities, but rather are principally to maintain facilities and equipment, administer human resources and protect assets; and

WHEREAS, operational expenditures are generally predictable, the reasonableness of such expenditures can be confirmed on the basis of their recurring nature within the annual budget approved by the Board, and they are subject to Board review during regular general register approval; and

WHEREAS, it is not an efficient use of District staff or Board resources for contracts related to District operations, in most cases, to be brought to the Board for approval; and

THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers delegates to the District Administrator, without countersignature, the authority to bind the District to purchases of goods and services, and to enter into contracts for same, when: (a) the District payment will be drawn from any of the following funds, as they may be renamed or renumbered; and (b) the commitment will not cause spending under the fund to exceed the approved fiscal-year budget:

- Unemployment Reimbursement
- Employee Benefits
- Staff Training
- Dues & Subscriptions
- Rentals and Leases
- Property/Casualty and Workers' Compensation Insurance
- Equipment & Supplies
- Repairs and Maintenance
- Utilities

BE IT FURTHER RESOLVED that the District Administrator will report to the Board annually as to activity under this delegation, and at such other times as, in the Administrator's judgment, a commitment of funds may raise a question of substantial policy or otherwise be appropriate for Board consideration.

Resolution Number 22-013 was moved by Manager _____, seconded by Manager _____. Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: 3/10/2022

Secretary Date: _____

DRAFT