



Title: MCWD Strategic Dialogs – Phase 1 Historic Analysis – Draft Principles

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Purpose:

At the September 8, 2022 Operations and Programs Committee (OPC), Louis Smith will facilitate a discussion with Board members of draft organizational principles derived from the study of MCWD’s history, to ultimately serve as timeless strategic insights to guide and serve future generations of the District team.

The Board will be asked to identify principles that need emphasis, areas requiring more clarity, and principles that may be missing.

Background:

2022 represents the midpoint of the Minnehaha Creek Watershed District’s 10-year plan, and is also the 5 year anniversary of the District’s 2017 plan for organizational alignment. At this milestone the Board of Managers expressed a desire to continue strategic preparations for the future, by exploring its past to identify timeless lessons, benchmarking its current position, and refining its mid-term strategic direction and priorities as it tracks towards the 2027 watershed plan.

This work has been broken into three phases of work as follows:

1. Phase 1 – Past – Where have we been and what have we learned?
 - a. A historical analysis to derive insights that underpin MCWD’s identity today, and lessons for the future
2. Phase 2 – Present – Where are we now and what needs to be done?
 - a. Status of current strategic priorities, and assessment of what will be required near term to execute
3. Phase 3 – Future – What challenges will we face in the future, and how can we prepare?
 - a. An inventory and education on emerging strategic issues the District wishes to begin preparing for

Below are links to past Board and Committee packets where Managers and staff discussed the purpose and scope of these strategic dialogs.

- [October 2020 PPC](#) Introductory Discussion
- [November 2020 PPC](#) Discussion of purpose and desired outcomes
- [January 2021 PPC](#) Review proposed process and scope of work
- [February 11, 2021](#) Approval of the process and scope of work
- [March 2021 PPC](#) Kickoff of Phase 1 Strategic Dialogs – Historic Analysis
- [June 2021 OPC](#) White Paper #1, 1967 – 1979: Formation of MCWD and Initial Mandate
- [August 2021 PPC](#) White Paper #2, 1980 – 1992: Establishing Data-Driven Project Planning
- [November 2021 PPC](#) White Paper #3, 1993 – 1999: Acceleration of Capacity, Planning, Implementation
- [March 2022 OPC](#) White Paper #4, 2000 – 2009: A TMDL Approach to Planning and Expanding Programs
- [June 2022, PPC](#) White Paper #5, 2010 – 2020: Focus on Partnerships with the Land Use Community

September 8, 2022

At the September 8, 2022 Meeting, Mr. Smith will provide a brief summary of MCWD's strategic arc over the last 50 years, as reviewed in previous white papers. He will then facilitate a dialog with the Board around principles for organizational success, lessons learned, that have been extracted from this retrospective and can be carried forward to help guide the District to continued success.

Feedback will be gathered and used to refine a final work product for consideration by the Board before the end of the year.

Next Steps:

At the meeting District staff will outline a proposed process and remaining timeline to synthesize the white papers and the resulting principles.

If there are questions in advance of the meeting, please contact James Wisker at Jwisker@minnehahacreek.org

Supporting documents (list attachments):

- DRAFT MCWD Principles



MCWD HISTORY PROJECT – DRAFT SYNTHESIZED PRINCIPLES

Draft August 30, 2022

1. Know where you came from, and what is central to your identity

a. Flood Mitigation is central to the MCWD’s mission, identity, and relationships

MCWD was petitioned into existence in 1966 after Minneapolis officials joined the call to form a district for the purpose of flood control. Extreme rain events in 1987 and 2014 again created major flooding problems for local communities, impacting property and infrastructure.

These flooding events will always be a source of conflict and strategic opportunity for MCWD to provide value at the nexus of land use and water management.

b. Gray’s Bay Dam will always be a part of the conversation

Gray’s Bay Dam is the original, and central element of infrastructure in the watershed. Its development had support. However, given the complexity of its operation, the property, recreational, and aesthetic perspectives of the Lake (upstream) and Creek (downstream) communities, coupled with emerging climate change dynamics, Gray’s Bay Dam will continue to be source of question, confusion, and blame for both drought and flooding.

It will remain important to find new ways to strategically communicate the benefits of Gray’s Bay Dam, and MCWD’s balanced upstream-downstream approach to water management.

c. Balanced Urban Ecology is the heart of MCWD’s approach to watershed management

Leveraging the power of sound science, seeking to understand and join others to pursue watershed management goals, an intense focus on high-impact projects that integrate natural and built environments to create value, and being flexible, creative and adaptable to the needs of cross-sector partners. These principles of a balanced urban ecology have underpinned tremendous success for the MCWD.

Honoring the balanced urban ecology spirit, and weaving its ideals into the fabric of the organization, will continue to deliver results and build long-term relationships within the watershed.

2. Rely on sound science to make credible, results-based decisions, and build trust

a. Value is delivered through science-based understanding that reveals practical solutions

Before every significant phase of accomplishment was an emphasis and investment in data collection and analysis, which yielded deep insights that MCWD used to work with partners to reveal impactful policy and project solutions.

The watershed and communities benefit when MCWD uses data to understand problems and unlock solutions.

b. Trust in MCWD has been built on sound science and partnership

Trust is the most valuable currency for any brand, and polling data has consistently shown MCWD's credibility to be high. This public confidence has been built painstakingly over time by consistently making high-quality, data-driven decisions, a clear communication of the facts, and partnership.

Maintaining priority on a data-driven culture will continue to build MCWD's reputation as a credible source of information and wise decision making.

c. A deep understanding of watershed hydrology is vital to MCWD's mission and credibility

The Minnehaha Creek watershed is a large and relatively complex system, that includes a diverse and interdependent mix of natural and built systems. This can make it difficult for people to understand the full dynamics at play across the watershed. Things that are difficult can drive frustration, upstream-downstream tensions, and the potential for conflict.

As rainfall patterns shift due to climate change, a strong understanding and clear communication of the watershed's hydrology will support MCWD's mission and underpin its credibility.

3. Devoting time and effort to vision and focused execution produces results

a. A clear vision is contagiously energizing

A clear, compelling and mutually understood vision serves to focus and harness the full potential of an organization. Understanding WHY, aligns the day-to-day steps, taken as part of a larger process that produces lasting results. As MCWD's vision of a Balanced Urban Ecology crystalized it provided a central and organizing rallying cry for all of MCWD.

Vision should consistently be lifted up as an energizing and focusing force.

b. Success demands focus

Focus and simplicity drive results. There is power in purpose, and having a singleness of purpose allows an organization to give up on good and to go for great. As MCWD evolved, it expanded, diminishing focus, clarity and results. A renewed focus on high impact projects and policy aligned the organization, generating results and the support of partners.

Focus produces results but requires discipline. Innovation in support of the vision is required, but new initiatives must be measured against the organization's established focus.

c. Bold, creative, flexible and integrated thinking are required

MCWD's Balanced Urban Ecology commits to providing a safe harbor for bold, creative thinking, that incorporate the goals of partners. The Board has consistently pushed for more ambitious vision, and strategic thinking from staff, resulting in growth outside of the traditional realm of water, in areas of business, finance, transportation, public safety, real estate, and development. This holistic and integrated approach, coupled with ambitious goals, has built MCWD's reputation as bold, creative, problem-solving partners.

Ambitious goals must be set. Innovation will be required. Status quo should be challenged.

d. The success of bold visions demands an accurate accounting of risk

Impact comes from vision and bold new ideas, which contain inherent risk. A thoughtful analysis of risk before launch supports effective decision making and avoids the potential misdirection of resources. Unplanned opportunities may present themselves and being nimble and non-traditional has produced results. However, it is important amidst fresh exuberance, to carefully identify and evaluate a proposal's potential risks – technical, financial, and political.

To ensure bold ideas can succeed, develop plans to manage risks on the path to execution.

e. Verify that the desired results are being achieved, and learn from your mistakes

MCWD is committed to excellence and achieving outstanding results that benefit the watershed and honor its partners. Meeting these high standards requires vision, strategy, learning, and continuous improvement. Clear vision catalyzes organizational energies. A compelling strategy focuses the effort, providing a pathway to success. But to learn and grow requires analysis of results, how they were achieved, and how they can be improved.

No matter how clear the vision or elegant the strategy, time must be spent evaluating the results. Debrief on what worked, and what didn't. This is where the learning happens.

4. Partnerships are a difference making ingredient in MCWD's continued success

a. Science is essential, but on its own is insufficient

Using science to understand issues and find solutions is a critical first step in all of MCWD's most significant work. It is possible to go it alone, following just the science, and still get the immediate job done. However, doing so can cause conflict and friction that diverts valuable time, energy, and resources. It can also result in lasting relational damage.

Technical understanding integrated with political and community support produces superior and sustainable results to working alone.

b. Land use partnerships are essential, and Balanced Urban Ecology principles support them

What happens on the landscape affects the quality and amount of water moving through a watershed. So, watershed management requires working directly with the land. However, landowners and decision makers have many concerns beyond water. MCWD's Balanced Urban Ecology commits to focused attention in project priority areas of the watershed, providing the opportunity to cultivate trusted relationships, learn about local issues and priorities, and creatively position investment in water through mutually beneficial solutions.

Balanced Urban Ecology means integrating water resources with landowner priorities, to deliver environmental, social and economic value.

c. Partnerships thrive through complementary engagement of leadership and staff

To get big things done MCWD must work closely alongside those who influence and make decisions in their respective processes. MCWD has learned that supportive staff is not the same as supportive policy leadership, and that, even with supportive leadership, staff are critical to driving work forward to execution.

When pursuing big new initiatives, MCWD is most successful when staff and Board liaisons work in concert to engage partner organizations at respective levels.

d. Partnerships can be challenging, time consuming, and require patience and persistence

Working in partnership is often less comfortable and slower than working alone. But it offers the promise of achieving superior results. Bridging interests across a diversity of partners, with varying perspectives, should be expected to result in points of conflict.

Partnership dynamics require proactive management, time, patience and persistence.

e. Partnership is a process, not a posture

Partnership is not a state of being, and messages of partnership will not remedy a bad experience. Partnership is the result of sustained action over time in cultivating the relationships needed to deliver impact. Earning trust by being responsive, polite, courteous, clear, direct, unflappable, and of service and value, pays dividends in building a network of relationships that are critical to the sustained success of the organization.

Relationships are a prime commodity in MCWD's success, and every interaction is an opportunity to build or erode MCWD's brand with a prospective partner.

5. Regulatory powers provide important authority, which must be used judiciously.

a. Earning mutual respect can require speaking up or drawing a line

Following the initial adoption of a regulatory program that involved enforceable requirements, not mere advisory comments, MCWD's authority was inevitably challenged. A few early demonstrations of resolve, including time spent in court, led to a long period of few challenges to the MCWD's regulatory program. One notable example was MNDOT's refusal to comply with watershed permitting requirements and issues with the Highway 55/62 interchange. In what may be the only case of a court injunction halting highway construction to address an environmental concern, ultimately the Federal Highway Administration backed MCWD's technical concerns. Over time, working through these and other issues allowed MCWD to find a stronger and more productive posture, based on mutual respect and an understanding of MCWD's underlying authority.

Challenges to authority that are carefully met with science and resolve ultimately reinforce MCWD's credibility and foster mutual respect.

b. Occasionally, it is necessary to use the power of eminent domain to support the mission

The Painter Creek upper watershed retention project to provide flood management and water quality, required land rights over a total of 25 parcels. While the vast majority, twenty-one, of these landowners agreed to voluntarily convey the necessary project easements, it was necessary to use the condemnation process to acquire the last four easements. Given the level of community support, this occurred without controversy.

With clear public purpose, broad community support, and selective use, eminent domain can be a viable authority to use in pursuit of a greater good.

c. Lonely tough decisions may create long-lasting consequences

MCWD faced tough dilemmas deciding whether to proceed with the Long Lake project. While some local leaders pushed MCWD to proceed, the lack of clear commitment from all affected municipalities, and without all necessary property rights posed serious risk. While eminent domain had been used successfully in the past, its use in the Long Lake project resulted in significant costs in local perceptions and relationships.

Forging ahead on a basis of science, without clear support, can create lasting relational damage. Selectively working where MCWD has partnership capital provides long term wind in our sails, and credibility.

d. Without careful balance, MCWD will be perceived as a regulator and lose partners

Over time, MCWD's emphasis on regulation cycled to meet the needs of the day: from initial challenges to MCWD's authority, to principled challenges on transportation projects, through controversial rulemaking, and into watershed planning policies that were perceived as unfunded regulatory mandates for local communities. This strategic arc built MCWD's reputation as a regulator, rather than a partner.

Without careful attention to balance in policy and posture, MCWD will be perceived as a regulator, losing partners and impacting its ability to pursue its mission.

6. The Board sets the direction, bar, and tone of the organization

a. Leadership, excellence, and accountability flow from the Board

Leadership sets the direction and tone for the organization, and the Board of Managers are the organization's leaders. The focus and quality of the organization flows from the Board. As the Board's role has naturally evolved over time, the example the Board sets for the organization has become increasingly important. MCWD's Board has led well when it has:

- been an environment where ideas flow fluidly and are welcomed, challenged and scrutinized, with the good ones being put quickly into action;
- exhibited the courage to ask tough strategic questions and cultivate creative tension, while avoiding group think and complacency; and
- shown the ability to harmonize through leadership, humility, insight, trustful culture, and learning.

b. The Board of Managers has the authority to manage, but excels when it governs

Over time the MCWD Board has naturally evolved from a hands-on role before hiring staff, to the role of managers as the organization grew, into leadership and governance to support the evolution of an effective staff team.

In its role, the Board excels when it establishes clear expectations and parameters for success, maintains a strategic view ahead, uses managers' insights to look deeper, and are active partners with staff in driving next level innovation.

c. To be successful, there must be a strong marriage between staff and Board

A focused Board concentrates on oversight of strategy and governance, to maximize effectiveness and avoid getting lost in the details. To work in this way requires a strong mutual partnership and trust with staff leadership. There is risk in Board led organizations that staff will either view the Board as a nuisance to navigate around, or an authority to unquestioningly take orders from.

The optimal relationship between Board and staff is built on shared vision, trust, frequent transparent communication, and a mutual willingness to offer candid critique.

7. Success is driven by people. Get people and culture right.

a. People matter and hiring wrong is costly

As important as what must be done, is the question of who should be given responsibility for determining what should be done. Among the decisions an organization can make, perhaps most critical is the selection of the right people to be responsible for the goals and outcomes of the organization. Careful attention to personnel transformed the organization's culture, resilience, and capacity for success.

Place a premium on staff leadership by cultivating clear expectations, partnership, trust, and accountability.

b. People should be continuously developed, evaluated, and held accountable

An important part of the training and learning process is making mistakes. Standing by and allowing people to make mistakes, provided they are not too serious, promotes learning and growth. Within a highly successful organization it should be acceptable to make mistakes. However, it must be unacceptable not to learn and grow from them. Another significant component in professional evolution comes from getting in sync about performance. This synchronization comes through feedback, which should be provided constantly and with an emphasis on accuracy. Remember that clear is kind, and direct feedback is part of the training process to develop skills and help people in their evolution. While evolution and growth is the goal, when evaluating people and delivering feedback be careful in making attempts to significantly change people's value or abilities. Values and abilities are difficult to change, and rehabilitation in these dimensions is often impractical.

Train and develop, set clear sideboards, or remove, rather than collecting and working to rehabilitate people.

c. Innovation and quality decisions comes from properly assessing the merit of all ideas

In many organizations decisions are often made either top-down by leadership, or democratically where the most widely supported opinions are implemented. Both processes produce inferior decisions. Quality decisions rely on the objective merit of an idea, and good ideas can come from any level or part of an organization. So, the key is to determine the merit of ideas. This can be done by weighing an idea's believability, stress-testing it (red-teaming) through open critical dialog with other capable people who have independently thought about it. In these instances, the most believable opinions come from people who (1) have repeatedly accomplished the thing in question, or (2) can logically explain the cause-effect behind their conclusions.

Value ideas from all levels of the organization and make decisions based on the stress-tested merit of the idea.

d. Trust in transparency

High performing teams operate with high degrees of trust. Trust is generated by being radically transparent. Providing broad access to all information, across staff and the Board regardless of hierarchy or department builds trust, drives clarity, and reduces the risk of office politics which like to happen behind closed doors or in the shadows. Within this framework everyone has the right to understand what makes sense, and no one has the right to hold a critical opinion without speaking up.

Value honesty, integrity and authenticity, and make it important to be extremely open, to speak up, to own it, or to opt out of the organization.

e. Success requires self-awareness, humility, vulnerability, and the responsibility to fail well

Operating in a transparent system where ideas are evaluated and weighed on merit requires people to be open, vulnerable and self-aware of their strengths and weaknesses. In this environment, success is handled with humility, and failure is handled with extreme responsibility.

Success at MCWD requires people to know themselves, be open with others, humbly share victory, and assess failures with the broader team to maximize organizational growth.

f. Teamwork does indeed make the dream work

MCWD staff are defined by their passion, personal stake in, and dedication to the MCWD mission. They value the excellence achieved through common effort. They know that success is best shared and want to climb the mountain with the team by their side.

Impact players know that no individual can win the game by themselves.

g. The only guarantee of failure is to stop trying

MCWD has set bold vision and achieved audacious goals. In pursuing its work, the organization has not always been “ready.” The distinguishing factor has been drive, effort and tenacity over time.

Remaining optimistic in the face of adversity, striving to overcome barriers, and spending time and energy on the things within their control, MCWD Board and staff inspire each other through example.