

46 an agreement with Mr. Spartz and possibly take action. If no action is taken, the Board
47 may consider the matter further on June 26.

48
49 Manager White stated that the minutes of Board of Managers' retreat are in the packet.
50 She thanked Louis Smith, Mr. Unmacht and Julie Urell for their assistance in preparing
51 for and facilitating the retreat. At the retreat, the Board directed a review of District
52 policies, review, reviewed committee structures, reviewed the draft Springsted
53 organizational review and heard an update from Mr. Smith regarding discussions with
54 Mr. Evenson-Marden on transition matters.

55
56 Manager White than referenced the recent Citizens' Advisory Committee (CAC) meeting
57 and a written report submitted by Manager Calkins. She noted that she also attended the
58 meeting, as did Managers Blixt and Olson. CAC member Michael Osterholm expressed
59 concern about mosquito breeding in underground stormwater facilities, and Mr. Hayman
60 will incorporate this concern in discussions regarding the Knollwood project. Manager
61 White expressed disappointment in Manager Calkins' interpolation of his own
62 commentary into the CAC report that he prepared. Manager White believes this is
63 counter to the desire to bring the Board together to act again as a fully functioning body.

64
65 Manager White noted upcoming meetings as stated on the agenda. Mr. Mandt added that
66 the Operations and Programs Committee meeting will be rescheduled from the July 3
67 date.

68
69 Manager White recessed the meeting at 7:05 p.m. to await a quorum. Manager Casale
70 arrived at 7:10 and the meeting was reconvened.

71

72 **APPROVAL OF AGENDA**

73

74 *It was moved by Manager Miller, seconded by Manager Casale to approve the agenda.*
75 *Upon vote, the motion carried 4-0.*

76

77 **CONSENT AGENDA**

78

79 *It was moved by Manager Miller, seconded by Manager Shekleton to approve the*
80 *consent agenda consisting of the May 22, 2014 Board minutes; June 4, 2014*
81 *emergency meeting minutes; June 5, 2014 Operations and Programs Committee*
82 *minutes; corrected April 24, 2014 Board meeting minutes; and May 29, 2014 Board*
83 *special meeting minutes. Upon vote, the motion carried 4-0.*

84

85 **BOARD, COMMITTEE AND TASK FORCE REPORTS (continued)**

86

87 Manager Casale reported on the recent Operations and Programs Committee meeting. At
88 the meeting, Telly Mamayek reported on high water issues and media contacts related to
89 that. Several citizens spoke with concern about the sanitary sewer release by the City of

90 Mound. Mr. Panzer explained the circumstances of the release. He understands that
91 about twenty communities engaged in such releases during the recent precipitation event.
92 Mr. Panzer also reported that flow through the Gray's Bay dam and over the weir remains
93 at about 500 cubic feet per second and is likely to continue through mid-July presuming
94 normal rain patterns. Finally, there was a discussion of the supermajority requirement for
95 granting a variance or exception under District rules. The managers present were of the
96 view that the supermajority requirement should be retained.

97

98 **REGULAR AGENDA**

99

100 **Permit 14-118: Three Rivers Park District**

101

102 Ms. Hall noted that Alex Meyer from the Three Rivers Park District (TRPD) and Casey
103 Black, SRF Consulting, are present on behalf of the TRPD. The permit is presented to the
104 Board by request of a resident who is not present tonight. Ms. Hall reviewed the staff
105 report for construction of a pedestrian trail and bicycle bridge over County State-Aid
106 Highway 19 in Shorewood and Tonka Bay. She reviewed the applicability of the District
107 erosion control and wetland protection rules and the sequencing analysis supporting the
108 TRPD replacement plan providing for the purchase of 0.02 acres of banking credits from
109 the Robert Engstrom bank.

110

111 Responding to Manager Shekleton, Ms. Hall noted that bridges of similar design have
112 been built within the District at Highway 7 in St. Bonifacius and on Plymouth Road.
113 Manager Shekleton asked the reason for the resident's concern. Ms Hall opined that the
114 resident does not favor the trail disturbance and is upset by construction occurring in the
115 summer. She noted that there will be bypasses allowing for continued trail access.

116

117 ***It was moved by Manager Casale, seconded by Manager Miller to approve the permit***
118 ***per staff recommendations. Manager White invited public comment and none was***
119 ***offered. Upon vote, the motion carried 4-0.***

120

121 **Cedar-Isles-Dean Neighborhood Association Cost-Share Project**

122

123 Mr. Eidem presented a proposed resolution authorizing funding of 50 percent of
124 documented costs for construction of up to ten stormwater Best Management Practices
125 within the project area, not to exceed \$9,362.50, contingent on a signed grant agreement
126 and maintenance agreements. He reviewed how the neighborhood group has selected this
127 project as a means of starting a public engagement process in stormwater issues. The
128 project also will involve participation by Metro Blooms and the Minnesota Conservation
129 Corps.

130

131 ***It was moved by Manager Miller, seconded by Manager Shekleton to advance the***
132 ***proposed resolution to the June 26 consent agenda.***

133

134 Manager Miller asked that staff obtain information on a similar residential stormwater
135 program in the City of Chicago. To his understanding, a very great number of alleys have
136 been converted to more sustainable practices under this program. Manager White asked
137 about awarding a grant to a neighborhood association. Mr. Eidem noted that the District
138 has awarded cost-share funds to neighborhood associations before. He cited the East
139 Calhoun Association as one example. Manager Casale observed that neighborhood
140 associations are analogous to lake associations, which have been District cost-share
141 recipients for a number of projects.

142

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

144

145 Agreement for Project Easement, Powell Road Project

146

147 Ms. Clark presented a proposed resolution authorizing the Board president to sign an
148 agreement for the District's acquisition of an easement across two adjacent parcels for the
149 Powell Road stormwater project. The project will involve an extension of the municipal
150 stormwater conveyance system from Powell Road in St. Louis Park across the property,
151 under railroad right-of-way to the District property at 325 Blake Road, Hopkins, where a
152 regional stormwater management facility would be sited.

153

154 Ms. Clark noted that the chief contingencies outstanding are environmental due diligence
155 and receipt of a railroad right-of-way crossing permit. She said that staff has been in
156 discussion with the railroad regarding the latter and is now entering the formal permitting
157 phase. Staff also is in discussions with St. Louis Park, which may earmark funding in
158 next year's capital improvement program toward this project. Ms. Clark reviewed the
159 basic structure of the agreement, under which the District would make an initial payment
160 of \$38,900 essentially for an option to purchase the easement. Within 120 days, the
161 District would determine whether to proceed with the easement purchase, at which time it
162 would pay an additional \$38,900. Under the easement agreement, further, the District
163 would do certain work in-kind during the project to improve three areas on the property
164 for management of stormwater from potential surfacing, and would provide capacity in
165 the regional facility for that surfacing if the property owner pursued it.

166

167 ***It was moved by Manager Miller, seconded by Manager Casale to advance the***
168 ***proposed resolution to the June 26 consent agenda.***

169

170 Responding to Manager Casale, Ms. Clark affirmed that the terms of the agreement are
171 consistent with the Board's discussions. Managers Miller and Casale asked staff to
172 review the aggregate stormwater capacity that the District has provided or is planning to
173 provide within the corridor. Ms. Clark noted that the regional facility at Blake Road will
174 receive 216 acres from the Powell Road project and an additional 30 acres from the Lake
175 Street extension as well as provide treatment for the 17-acre site itself. She added that the
176 Cottageville project will treat 22 acres. Mr. Wisker said that 80 acres presently are treated
177 through the Weis property and another 30 acres along Louisiana Avenue is under review.

178 Finally, Mr. Wisker noted that the Knollwood project, if regional, would treat 120 acres
179 in the surrounding area and 30 acres of site runoff.

180

181 Manager Miller asked whether there are ongoing discussions with Methodist Hospital
182 regarding their lands. He noted that large areas of parking and other hospital property are
183 under water right now and it seems clear that they were originally riparian wetlands. Mr.
184 Wisker said that staff is working with the City of St. Louis Park and Park Nicollet
185 Hospital at this time and that Wenck is doing stormwater analysis through the District's
186 auspices.

187

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

189

190 Project Design Approval, Authorization to Solicit Bid and Permit 14-208 Approval:
191 Cottageville Park Project

192

193 Ms. Clark presented proposed resolution 14-050. She stated that staff is requesting Board
194 action tonight because of an aggressive schedule to substantially complete structural
195 work this year. She noted that staff has been in discussion with Manager Calkins to
196 incorporate his advice regarding proper soils and vegetative material selection. She
197 further advised that staff is working with counsel and the district engineer to develop a
198 Best Value procurement approach to obtaining a contractor for the work, so that formal
199 consideration can be given to the quality of the work and not just the criterion of low
200 price.

201

202 Ms. Clark then reviewed the staff permit report for the project. She reported that Mr.
203 Meehan is leading the project as the design engineer, and that Mr. Wisner has reviewed
204 the project and determined that it exceeds permit requirements. She noted that in
205 applying stormwater management requirements, the District is considering the pre-
206 demolition condition of the property to be the pre-development condition in light of the
207 Districts acquisition and further planning for the property having occurred continuously
208 with intent toward this redevelopment from the time of acquisition.

209

210 Manager Shekleton asked about the reason for the rock outfall. Ms. Clark replied that it is
211 largely for energy dissipation and to be visually preferable to poured concrete.

212

213 *It was moved by Manager Miller, seconded by Manager Shekleton to adopt resolution*
214 *14-050 providing as follows:*

215

216 ***NOW THEREFORE BE IT RESOLVED, the Minnehaha Creek Watershed***
217 ***District Board of Managers hereby approves the final design for Phase 1 of the***
218 ***Cottageville Park Project and authorize the District Administrator to solicit***
219 ***public bids for construction;***

220

221 ***BE IT FINALLY RESOLVED, the Board of Managers hereby approves***
222 ***MCWD Permit 14-208 for erosion control, floodplain alteration, streambank***
223 ***stabilization, and stormwater management for the Cottageville Park project.***
224

225 ***Upon vote, the motion carried 4-0.***
226

227 Cooperative Agreement Amendment, Taft-Legion Improvement Project
228

229 Ms. Houdek presented proposed resolution 14-051. She stated that that staff is requesting
230 board action tonight because the City of Richfield is prepared to award a contract for the
231 second phase of construction and the District has made its concurrence in the award
232 contingent on approval of a cooperative agreement amendment.
233

234 Ms. Houdek noted that the resolution and proposed amendment are consistent with the
235 discussion at the May 22 Board meeting. The amendment accommodates Richfield's
236 intent to contract for the project in phases and also clarifies several outstanding terms of
237 the agreement. She reported that the Richfield staff and attorney have reviewed the
238 amendment and are comfortable with it.
239

240 ***It was moved by Manager Miller, seconded by Manager Shekleton to adopt resolution***
241 ***14-051 providing as follows:***
242

243 ***NOW, THEREFORE, BE IT RESOLVED that the MCWD Board of Managers***
244 ***hereby authorizes the Board President to execute the proposed amendment to***
245 ***the cooperative agreement between MCWD and the City of Richfield, with such***
246 ***non-substantive final revisions as may be made on advice of counsel.***
247

248 ***Upon vote, the motion carried 4-0.***
249

250 **BOARD DISCUSSION ITEMS**
251

252 AIS Economic Study Final Report
253

254 Mr. Dawson introduced Dr. Steven Taff, Department of Applied Economics, University
255 of Minnesota, to present the final report regarding the economics of aquatic invasive
256 species (AIS) programs. Mr. Dawson said that the report was delivered at the end of May
257 and that several changes remain for the final report.
258

259 Dr. Taff reminded the Board of the first phase of the work, which was a review of the
260 professional literature and was presented in January. More than 100 articles were
261 gathered regarding cost of AIS programs, but virtually none were useful for present
262 purposes, which is the question of what one needs to spend to obtain a particular outcome
263 in a given location. The second question is what agencies spend on AIS programs, which
264 was the focus of this phase. The available information here also is not very useful. Data

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265 are collected to track agency expenditures but not outcomes. On average, public agencies
266 spend \$200 to \$300 per acre per year for a variety of AIS management scenarios.

267

268 Manager Shekleton asked what is defined as a public value for the purpose of AIS
269 outcomes. Dr. Taff replied that value is an increase in well-being determined through
270 valuation techniques. He noted that extremely few sources of information look at costs
271 incurred from AIS or the effect on AIS of a particular management effort. He added that
272 to date a poor job has been done in defining the problem and how to approach it because
273 of the imperative to do something immediately.

274

275 Manager White said that the policy goal is to be able to tell people about the benefits they
276 individually have received and the cost they have avoided for their tax contribution now.
277 Manager Miller said that he is interested more broadly in the impact of AIS on property
278 values. He said that if people are less inclined to build large houses on lakes, that can
279 affect the flow of resources throughout the community.

280

281 Dr. Taff suggested three types of further study: an avoided cost study; a value study
282 comparing properties in similar circumstances on clean and dirty lakes; and survey
283 research based on "willingness to pay."

284

285 Manager Casale stated that he continued to express his disappointment in the project. He
286 said that the latter two of these three types of studies was the goal in his view but the first
287 of these were how the scope was defined. He has emphasized since the beginning of the
288 process that the focus should be on the macro-economic goals such as effects on property
289 value.

290

291 Manager Casale continued that it is not even determined what doing "x" does for a
292 particular AIS result in a given situation, so a good avoided cost analysis is not possible.
293 He emphasized that the message to carry to political leaders is "what is the damage on a
294 macro level if we continue to do what we are doing?"

295

296 Manager Miller agreed that more information is needed regarding impacts on property
297 values. He opined that without that, a policy argument cannot be persuasively made.

298

299 Dr. Taff noted that an avoided cost analysis through survey methods is somewhat
300 anecdotal but that is adequate. A study of differential property values must be done on a
301 per-AIS-species basis. Dr. Taff also noted that this sort of study is an assessment of
302 private value. Manager Miller replied that private value is public value. Dr. Taff also
303 added that effects on recreational spending would be one element to be assessed.

304

305 Manager Casale agreed with Manager Miller as to the connection between private and
306 public values. He said that the District is asking only for the assessment of private values
307 and not that they be converted to public value outcomes. Dr. Taff concluded that the

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308 study was as good as could be done given the lack of spending data and the lack of
309 physical science data.

310

311 Manager Casale stated that he thought the Board had been clear about this previously but
312 he would like a proposal that states a clear understanding, based on this evening's
313 discussion, of what the Board is looking for and the cost of providing it. He said that if
314 AIS management advocates are going to get traction with policy makers at a statewide
315 level, it is important to know what arguments have been made in other states and how
316 these arguments have been perceived. He would like to know what actions were taken,
317 what actions were not taken and how the benefits of AIS programs were perceived. He
318 asked that this be addressed in a proposal.

319

320 Manager White offered that it appears the information the Board has hoped for doesn't
321 exist. One lesson is that the District and the broader AIS management community in
322 Minnesota should build data. Otherwise, the Board needs to discuss further and define
323 precisely what it wants.

324

325 Manager Casale agreed. He also noted Joe Shneider of the Christmas Lake Homeowner's
326 Association in the audience and invited Mr. Shneider and those which whom he is
327 working to summarize what information they would like to have when advocating to
328 policymakers.

329

330 **ADJOURNMENT**

331

332 There being no further business, the regular meeting of the Minnehaha Creek Watershed
333 District Board of Managers was adjourned at 8:50 p.m.

334

335 Respectfully submitted,

336

337

338

339

340 Jeffrey Casale

341

342 Secretary