

47 slated to be completed in November, with the exception of the railroad bridge and the
48 curve at McGinty Road. She updated the board on the status of the Southwest Light Rail
49 Transit project and described the significant social services update under way in
50 Hennepin County. (*Manager Shekleton arrived at this time, 6:50 p.m.*) Commissioner
51 Callison said that a property tax levy increase will be coming in the next year and stated
52 that Commissioner Jeff Johnson is likely to again introduce in the Legislature a proposal
53 to reorganize watershed management in Hennepin County. She said the bill is likely to
54 propose a reorganization of watersheds in the county as a kind of pilot project. In
55 response to a question from Manager Blixt, Commissioner Callison said that she cannot
56 say yet whether the county board will support Commissioner Johnson's legislation but
57 noted that the board has not supported it in the past. The Board of Managers and Manger
58 White thanked Commissioner Callison for her report.

59

60 **CONSENT AGENDA**

61

62 Michael Welch requested that the managers move approval of the general checking
63 account to the discussion and action section of the agenda. In response to an inquiry from
64 Manager Miller, Mr. Welch explained that there is a check on the register to KC
65 Consulting for work that was undertaken in support of the creek cleanup. Costs were
66 incurred as part of the project led to an exceedance of the board-authorized amount of
67 \$12,000. Mr. Welch recommended that the managers ratify an additional expenditure of
68 \$3,995.97 before approving the check register. *Manager Shekleton moved, and*
69 *Manager Blixt seconded, to authorize the additional expenditure as an amendment to*
70 *the consent agenda. Manager Shekleton moved and Manager Miller seconded*
71 *approval of the consent agenda as amended, consisting of approval of the October 8,*
72 *2015, minutes; approval of the surety-account and general-checking account check*
73 *registers, the latter encompassing items 36044 through 36143 for a total of*
74 *\$460,742.01, payroll direct deposits totaling \$155,501.47, and electronic fund*
75 *withdrawals totaling \$92,540.01, for a total expense amount for the period September*
76 *25 through October 22, 2015, of \$708,783.49; acceptance of the 325 Blake Road*
77 *checking account report; and adoption of the following resolutions:*

78

79 **Resolution 15-086, Authorization to Hire Smith Partners as District Counsel for**
80 **2016-2017**

81

82 ***NOW, THEREFORE, BE IT RESOLVED, that the Minnehaha Creek***
83 ***Watershed District Board of Managers; hereby appoints Smith Partners***
84 ***as District Counsel for the MCWD for 2016 -2017.***

85

86 ***BE IT FUTHER RESOLVED, that the District Administrator is***
87 ***authorized to negotiate and execute the legal services agreement.***

88

89 **Resolution 15-087, Authorization to Hire Wenck Associates as District Engineer for**
90 **2016-2017**

91

92 *NOW, THEREFORE, BE IT RESOLVED, that the Minnehaha Creek*
93 *Watershed District Board of Managers; hereby appoints Wenck*
94 *Associates as District Engineer for the MCWD for 2016 -2017.*

95

96 *BE IT FUTHER RESOLVED, that the District Administrator is*
97 *authorized to negotiate and execute the engineering services agreement.*

98

99 *Upon vote, the motion carried 5-0.*

100

101 **REGULAR AGENDA**

102

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

104

105 Manager White reported that the planning processes for the Wayzata Bay lakefront
106 redevelopment will move into the design phase next and asked for approval from the
107 managers for her participation as requested by the city. *Manager Miller moved and*
108 *Manager Calkins seconded to authorize Manager White to serve as the MCWD liaison*
109 *to the Wayzata Lake-Affect Redevelopment Design process. Upon vote, the motion*
110 *carried 5-0.*

111

112 *(Manager Olson arrived at this time, 6:55 p.m.)*

113

114 Manager Calkins noted that the minutes from the most recent Policy and Planning
115 Committee meeting were quite detailed and included in the packet for the meeting this
116 evening. He said the committee continues to work on the development of the District's
117 comprehensive plan revision.

118

119 Telly Mamayek provided a report on the Citizens Advisory Committee meeting, noting
120 that the CAC reviewed cost-share projects and received an update on the Shir Tikvah
121 grand opening event, which drew roughly 200 people. Ms. Mamayek said that the CAC
122 received an update on the Cynthia Krieg applications for this year. She also noted that
123 CAC appointments will need to be attended to in coming months.

124

125 Manager Olson offered a report from the Metropolitan Minnesota Association of
126 Watershed Districts meeting, which was held Tuesday. He stated that representatives
127 from the Minnesota Department of Health offered a report on water reuse pertaining to
128 both surface and groundwater, noting that 15 percent of the pollution in Minnesota River
129 basin makes it to the Gulf of Mexico. He stated that the DNR presented on surface water
130 projects and will be providing a report to the Legislature about the groundwater-surface
131 water interactions.

132
133 Manager White noted that the calendar and schedule in the agenda stretches through the
134 end of the year.

135
136 **Public Hearings & Presentations**

137
138 Lake Minnetonka Zebra Mussel Study

139
140 Eric Fieldseth of the District staff appeared before the Board of Managers and presented a
141 brief review of the history of the work the District has undertaken to date to study the
142 zebra mussel infestation in Lake Minnetonka. Mr. Fieldseth introduced Steve McComas
143 of Bluewater Science who gave a summary presentation of the data the District has
144 gathered and its experience in studying the spread of zebra mussels through the lake,
145 including the apparent effects on water quality and clarity in the lake. Mr. McComas and
146 Mr. Fieldseth noted that they would be providing the presentation at a conference in New
147 York State in November.

148
149 In response to a question from Manager Shekleton, Mr. McComas said that the density of
150 zebra mussels in the lake is already changing, and the mussels are less dense in the
151 eastern part of the lake now. He said nutrient levels also have changed, as have
152 chlorophyll levels. He said an algae are decreasing and clarity is increasing in parts of the
153 lake where zebra mussels are more dense. He said phosphorus levels have not changed as
154 much. The trophic status of the lake is better in places even though the phosphorus levels
155 are the same, and he thinks that may be because small bacteria have phosphorus in them.
156 There is no doubt the lake is changing because of the zebra mussel infestation. Mr.
157 McComas said that it's not clear yet what density of zebra mussels causes changes in the
158 lake, but it is clear that with more than 10,000 zebra mussels per square meter there are
159 changes.

160
161 In response to a further question from Manager Shekleton, Mr. McComas said that with
162 the clearer water there is an increase in plant growth – some of which is milfoil. In
163 response to a question from Manager Blixt, Mr. McComas said that it is possible that
164 zebra mussels will experience a boom-bust growth cycle related to algae availability but
165 that has not manifest yet. In response to an inquiry from Manager Miller, Manager
166 Calkins said he is not surprised by the static nature of the phosphorus levels in the lake
167 and noted that there is not enough data yet to know what will happen in the long term to
168 the lake because of the zebra mussel infestation. In response to a question from Manager
169 Shekleton, Mr. Fieldseth said that as opposed to Lake Minnetonka, water quality in
170 Christmas Lake does not vary across the lake and generally Christmas Lake has very low
171 chlorophyll levels, which may affect the growth of zebra mussels. He said there may be
172 more of an effect in Christmas Lake on native mussels.

173
174 The managers thanked Mr. McComas and Mr. Fieldseth for their presentation.

175

176 **Permits Requiring a Variance or Discussion**

177

178 **15-445: Mooney Lake Preserve**

179

180 Tom Dietrich presented the staff report on the application for a permit under the erosion
181 control, stormwater management and wetland protection rules for Mooney Lake Preserve
182 in Orono. Mr. Dietrich said that the District received several comments by email and one
183 person requested that the application be heard and decided by the Board of Managers.
184 Mr. Dietrich provided an overview of the project's compliance with the District rules,
185 noting that no variance is need from any rule provision and that as a general matter the
186 stormwater management systems proposed will improve water quality in runoff from the
187 site to Mooney Lake and Hadley Lake. He explained that there is a stipulation included in
188 the staff-proposed action on the application that calls for confirmation of a low floor two
189 feet above the 100-year flood elevation on lot 2, block 2. He said that on the plans this
190 level appears to be met, but that needs to be verified at the time of construction.

191

192 District engineer Chris Meehan noted that a memo he prepared responding to a critique of
193 the stormwater management and development in general by Cecilio Olivier of Emmons
194 and Olivier Resources was sent to the managers via email and uploaded today. Mr.
195 Meehan stated that the principal finding of the memo is that the stormwater management
196 plan not only meets District requirements but as noted earlier improves water quality in
197 run off. He welcomed questions from the managers. Manager White stated that the matter
198 is before the Board of Managers at the request of an interested party and that the
199 managers will take comment from the public and attendees at the meeting tonight, bit
200 repetitive and comments that are not relevant to MCWD's authority are disfavored and
201 she appreciates brevity of those wishing to present. Jeff Watson, from the law firm of
202 Moss and Barnett, appeared before the Board of Managers and said that he represents
203 George Stickney and BPS properties, the applicant. He said he had nothing to add to the
204 staff report but was happy to answer any questions that the managers may have.

205

206 James Lane, of counsel with the firm of Robert R. Hooper and Associates, appeared
207 before the managers and stated that he represents the plaintiffs in the suit against the
208 developer, City of Orono and Minnehaha Creek Watershed District. He recognized Anne
209 Healy, who requested that the matter be heard by the Board of Managers, and Ms. Healy
210 stood to be recognized, but did not speak before the Board of Managers. Mr. Lane said
211 that he would like to have Mr. Olivier from EOR and Doug Mensing from Applied
212 Ecological Services present what he described as compelling evidence that the Board of
213 Managers should delay action on the permit and direct staff to work with these
214 professionals to improve the environmental protectiveness of the development. He
215 encouraged the managers to listen to Mr. Olivier and not to simply accept staff's findings
216 and recommendations, then exercise independent judgement with regard to the
217 application. He said that the matter before the managers is a special project on a very

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218 special property that meets the definition of a protected resource under the Minnesota
219 Environmental Rights Act. He emphasized the leadership role of the board and the fact
220 that the development of the property will have irreversible consequences.

221
222 Mr. Olivier appeared before the managers and noted that he wished to make it clear that
223 he was not leveling any criticism at the District staff and or the District's rules, which he
224 described as very robust. He said, however, that he has serious concerns about the
225 development. He noted that some of his comments on the project have been affected by
226 information that was added to the record after he drafted the memo filed in the lawsuit
227 and that the managers have in the packet for this evening. He noted that that new
228 information with regard to the stormwater management system was not available when he
229 drafted his memo, and upgrades to the stormwater management plan have addressed
230 some of his concerns. Mr. Olivier first noted the bulk of the development has been very
231 well designed. He said that the raingardens have been upgraded in terms of size, shape
232 and location, and a note has been added, indicating that all impervious surfaces will be
233 routed to the raingardens. He also noted the Manage 2 wetlands have been correctly
234 identified, but still the bounce has not been modeled. He said the inconsistencies in the
235 widths of the driveways also have been addressed, and the project overall is meeting
236 runoff discharge rates. He said that there are still areas of concern and noted that the
237 impervious routing to the raingardens does not have the same level of detail as provided
238 for the stormwater management features in the plans for the project. He said that routing
239 impervious surfaces to these raingardens will be a significant challenge because of
240 topography. He also noted that there is not a detailed design showing how proper routing
241 will be achieved. He also stated that there is information about raingarden placement and
242 design, but no soil borings have been conducted to determine infiltration rates for the
243 raingardens and such information is important. Third, he noted that there are rate-control
244 weirs provided on each of the raingardens and there is detail in the modeling that's been
245 provided, but not in the design documents. Fourth, he said there will be erosion from
246 concentrated flows in the Big Woods on the property, and that this project overall
247 represents a significant change in land cover. He said that dispersion features will be
248 needed to prevent concentrated flows in the development from causing erosion problems.
249 He said as well that the runoff retention is not enough to mimic pre-development
250 conditions, and a one-inch retention rate is not good enough to achieve predevelopment
251 conditions, as required under the District rules. He also noted that there would be higher
252 loading of pollutants into the woods. He stated that not building in the Big Woods may
253 not be feasible, but stronger covenant controls to ensure that there are no impacts are
254 needed. Mr. Olivier also noted that there would be additional volume to land-locked
255 Mooney Lake, though given the size of the lake, the impact would be a fairly small. He
256 noted, finally, that the plans do not account for runoff volume change due to climate
257 change.

258
259 Mr. Mensing appeared before the Board of Managers and discussed the loss of Big
260 Woods from the proposed development. He said he has worked with the District on some

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261 great projects and complimented the District for its work. He reviewed problems with the
262 development. He said that the Big Woods remnant on this property is well documented as
263 good quality, with mature trees and great habitat potential. He described the maple-
264 basswood forest and reviewed some of the elements of the project design that could be
265 improved from a conservation design prospective. Manager White encouraged Mr.
266 Mensing to address issues that are within the scope of MCWD's jurisdiction. Mr.
267 Mensing stated that with regard to stormwater, the swale on the property that leads to
268 Mooney Lake is in an area that is already exhibiting some signs of erosion and that the
269 proposed design will cause untreated runoff to the lake.

270
271 The Board of Managers thanked Mr. Olivier and Mr. Mensing for their presentations.

272
273 Manager White asked if any others wished to appear and speak with regard to this permit.
274 Seeing none, she asked in the managers had any questions. Mr. Welch noted that staff
275 could weigh in as well, but with regard to the change in the record Mr. Olivier referred to
276 he wished to clarify that all documents and materials submitted for the permit were
277 provided to Mr. Olivier in response to his data request. Mr. Meehan stated that he has
278 reviewed the points raised by Mr. Olivier and taken them into consideration. The District
279 regulatory-analysis process addressed each of the concerns, and that with the construction
280 of single-family homes filling out the development will be reviewed by the District as
281 they are brought forth with specific plans for construction. In response to a question from
282 Manager Blixt, Mr. Meehan stated that the weirs and designs for each individual home
283 site and associated raingardens will be specified as the home goes into place and that
284 what's currently in the plans is typical details. He added that soil borings will be
285 conducted at that time home designs are proposed as well. He also noted that staff and the
286 District engineer will review runoff retention on each home site as plans are finalized.
287 With regard to the sloping of the driveways to ensure that all runoff is captured, Mr.
288 Meehan stated that each of the homes will be a custom design and that as the District
289 staff will review the plans and confirm that the grading and gutters directing runoff into
290 the raingardens are in place. In response to a further question from Manager Blixt, Mr.
291 Dietrich noted that the property owners will not in the surrounding area will not receive
292 notice of each individual home as it comes to MCWD, but stated that such notice could
293 be provided. Mr. Dietrich added that in accordance with the approval of the final plat by
294 the City of Orono, raingardens will be constructed before the lots are developed and will
295 in place at the time of the development of those homes. Mr. Watson appeared before the
296 Board of Managers and said that the city required that the city required that raingardens
297 site be specified when the building permits for each home is pulled.

298
299 With regard to a question from Manager Calkins, Mr. Meehan stated that there District
300 engineer has characterized the soils in the area using standard soil classification data but
301 the District has not conducted borings. In response to a further question from Manager
302 Calkins, Mr. Meehan stated that the changes in vegetation cited by Mr. Olivier have been
303 taken into account in designing the stormwater management plan by overestimating flows

304 and overcompensating in the curve values for runoff management. Manager Calkins
305 asked about higher infiltration rates in a forest area than will be achieved in a finished
306 turf-grass scenario, and Mr. Meehan acknowledged that that is in fact the case but those
307 volumes and changes were taken into account in analyzing runoff volumes and
308 designated runoff coefficients for purposes of the District permit review. In response to a
309 further question from Manager Calkins, Mr. Meehan stated that District staff and
310 engineer used a 10 percent increase for the runoff coefficient to account for the change to
311 runoff rates that will come because of the loss of forest canopy from the development.
312 Manager Calkins asked about the likely loss of more trees than has been planned. Mr.
313 Meehan noted that the District's modeling assumed no trees and accounted for tree loss in
314 the curve number that the engineer used for the stormwater management analysis.

315
316 Manager Miller said that he understands neighbors' concern with development on
317 property neighboring their developed property, but the project meets all of the District
318 rules and he will vote to approve it. ***Manager Miller moved and Manager Calkins***
319 ***seconded approval of Permit 15-445 with the conditions and stipulations outlined by***
320 ***staff in the staff report, and directed staff to prepare findings and conclusions from the***
321 ***evening's review of the matter for approval by the managers at the next meeting.***
322 Manager Blixt stated that she has been on the Board long enough to recall the days when
323 the Board of Managers reviewed and approved all permits and she learned neighbors
324 become invested in property that is not developed. Manager Miller noted that such
325 individuals also do not own the property. Manager Blixt added that when neighbors get
326 involved in the permit review process, a better result is achieved. ***Upon vote, the motion***
327 ***passed-6-0.***

328
329 Resolution 15-088: Ordering the Meadowbrook Golf Course Ecological Restoration
330 Project and Authorizing Amendment of the Cooperative Agreement
331

332 Michael Hayman presented to the Board of Managers an amendment to the cooperative
333 agreement with the Minneapolis Park and Recreation Board for the Meadowbrook Golf
334 Course improvements. Mr. Hayman noted as well that the Board of Managers has the
335 opportunity this evening to order the project, following the public hearing that was held
336 at the September 10 meeting. Mr. Hayman went on to explain that the amendment to the
337 cooperative agreement provides that MPRB will retain a consulting team with Wenck
338 Associates as the lead for the design, with Herfort-Norby and Inter-Fluve as
339 subcontractors. He said the amendment also provides for the District to collaborate in the
340 design process for the restoration and ecological improvement work, as well as the flood
341 storage and resiliency, but not the golf course improvements, It also calls for the District
342 to reimburse design cost not to exceed \$220,544, which includes a 5 percent contingency.
343 Mr. Hayman explained the financing of the project will be by the City of Minneapolis at
344 the request of the MPRB, but is still in the works. ***Manager Miller moved, and Manager***
345 ***Olson seconded, adoption of Resolution 15-088, ordering the Meadowbrook Golf***
346 ***Course Ecological Restoration project, authorizing the president to execute an***

347 ***amendment to the cooperative agreement committing the District to reimburse the***
348 ***MPRB for design not to exceed \$220,544 and authorizing the administrator to***
349 ***implement the amendment and manage the District's role in the project.***
350

351 In response to a question from Manager Olson, Mr. Hayman said that the design costs are
352 coming in slightly under budget. Manager Blixt asked about the city financing of the
353 design and construction. Mr. Hayman clarified that the MPRB is financing the
354 construction, but is doing so through the city. He said that the District has already
355 budgeted funding for the design work. Manager Miller added that even though the
356 financing is by the city, the liability is shared by the MPRB and District. Mr. Hayman
357 further clarified the construction funding has yet to come to the Board of Managers for
358 approval. He added that the financing framework was tentatively discussed to provide
359 \$2.5 million through a general obligation issuance from Minneapolis on a minimum 10-
360 year term. Manager Blixt questioned the consistency or lack thereof of the financial
361 arrangement with District practices. James Wisker clarified that the financing structure
362 for this project through the extension of Minneapolis' authority to issue debt had been
363 discussed with the board since the beginning of discussions with the MPRB for the
364 project and was identified and outlined in the District's budget and work plan for 2016. In
365 response to further questions from the managers, Mr. Hayman said that the Federal
366 Emergency Management Agency funding for reconstruction will go into construction for
367 the golf course and is one-time-only dollars. In response to a question from Manager
368 Shekleton, Mr. Hayman said that the cooperative agreement applies only to work at
369 Meadowbrook, and that whatever strategy and collaboration may take place on the
370 restructuring of Hiawatha Golf Course, if any, is yet to be determined and quite a bit
371 further out; there is no project for Hiawatha Golf Course yet. ***Upon vote, the motion***
372 ***carried 6-0.***
373

374 Resolution 15-089: Contract with Himle Rapp for Comprehensive Plan Support
375

376 Becky Christopher presented a proposal to contract with Himle Rapp to provide strategic
377 communications support for the update to the District's comprehensive water resources
378 plan. Ms. Christopher briefly reviewed the scope of the services to be provided by Himle
379 Rapp, which includes three areas of work. First, Himle Rapp would assist with review
380 and editing of stakeholder communication materials for the advisory committees and Six
381 Mile planning process. Second, they would provide support throughout the strategic-
382 planning process that would include assisting with the development of clear articulations
383 of the District's mission, vision, goals and principles. Finally, they would participate
384 throughout the program evaluations and provide guidance, particularly in the area of
385 community engagement.
386

387 Manager Blixt expressed concern about the \$40,000 scope of work and asked why
388 District communications and outreach staff are not conducting this critical work. She
389 asked whether interns couldn't be engaged to cover some of the more basic elements of

390 the District's education and outreach function, freeing Telly Mamayek to be engaged in
391 the strategic work needed for the comprehensive plan update. Telly Mamayek appeared
392 with Ms. Christopher and explained that District education and outreach staff have been
393 and will be engaged. But staff has limited capacity and Himle Rapp has expertise that is
394 particularly valuable for the work. Manager Shekleton noted his understanding of how
395 sophisticated and important this work is to the success to the District's plan update.
396 ***Manager Shekleton moved, and Manager Miller seconded, adoption of Resolution 15-***
397 ***089, authorizing the administrator to execute a contract with Himle Rapp for***
398 ***communications support for the plan update in an amount not to exceed \$40,000.***
399

400 Mr. Wisker appeared before the Board of Managers and underscored that District
401 communications staff has been and will be engaged in outreach for the plan update. With
402 regard to the first task to be undertaken by Himle Rapp, the integration of land use and
403 water resource protection will necessitate refinement of messaging that is developed by
404 the District and that a similar approach has been taken in the past with regard to District
405 rulemaking. With regard to the strategic planning framework and the effort to evaluate
406 mission, vision and goals, Mr. Wisker noted that this work involved a synthesis of all
407 recently adopted policy like *Balanced Urban Ecology*, board discussions, the
408 comprehensive plan framework, and the District's self-assessment. He commented that
409 Himle Rapp is uniquely positioned to augment the staff-led initiative by providing
410 strategic communications, marketing and branding advice, and that Ms. Mamayek has
411 been very engaged in the development of a communications strategy for the plan update.
412 Manager Blixt noted that the cost per hour for the work exceeds what is paid to the
413 District engineer or attorneys, and she finds that problematic. Manager Miller noted that
414 he supports the proposal with great enthusiasm because the framework on the policies
415 that the District has developed needs sophisticated communications expertise. Manager
416 Shekleton noted that the billable rate being proposed by Himle Rapp did not differ from
417 previous contracts approved by the Board. ***Upon vote, the motion carried 4-2, Manager***
418 ***Calkins and Manager Blixt voting against.***
419

420 Memorandum of Understanding with James R. & Jane Ann Hesse and Pemtom Land Co.
421

422 Anna Brown presented a proposed memorandum of understanding with James R. and
423 Jane Ann Hesse and the Pemtom Land Company, for exploration of acquisition of land-
424 use rights necessary for the restoration of wetlands that the District has identified as an
425 option for offsetting wetland impacts that will be incurred in the Laketown Ninth
426 development by the Lennar Corporation in Victoria. Ms. Brown said that the Board of
427 Managers previously reviewed an overall plan for a collaborate project with Lennar
428 whereby the District would explore options for restoring wetlands near the site of impact,
429 as opposed to Lennar's purchase of bank credits outside the watershed. She said that the
430 District's acquisition of the necessary land rights for the restoration is a particularly
431 critical for the project and that the MOU establishes a framework with the owners of the
432 adjacent property and their agents. Manager Olson noted that he has had communications

433 recently indicating that Carver County and City of Victoria are strongly in support of the
434 project and he noted that staff has been working closely with those entities to develop
435 support for the District's engagement. **Manager Olson moved, and Manager Calkins**
436 **seconded, the adoption of Resolution 15-090, authorizing the president to execute a**
437 **memorandum of understanding in final form among the District, the Hesses and**
438 **Pemtom and to authorize minor nonsubstantive revisions prior to execution on advice**
439 **of counsel. Upon vote, the motion carried 6-0.**
440

441 Approval of Revised 2016 Budget
442

443 Lars Erdahl presented a final budget for 2016 incorporating revisions as recommended by
444 staff in collaboration with the Policy and Planning Committee to implement reductions in
445 certain project budgets and to restore funding to program areas as outlined in the
446 memorandum provided to the managers. He said that the staff discussed a program-level
447 budget refinement with the committee on October 15, and for purposes of the discussion
448 this evening he provided a handout that addressed a request for a historical look at the
449 2016 and envisioned 2017 budget and levy in a 10-year historical context. He said that
450 over time the District is closing the gap between the budget and levy and right now for
451 2017 he has placed a \$2.5 million budget and levy number in the informational item
452 handed out. Mr. Erdahl noted that the proposed budget for 2016 restores funding for the
453 cost-share program, the Master Water Stewards program, the Cynthia Krieg Stewardship
454 Grant and the Bushaway Road Project. **Manager Miller moved and Manager Shekleton**
455 **seconded adoption of Resolution 15-091, adopting the revised and updated 2016**
456 **budget.**
457

458 Manager Blixt stated that she found it disconcerting that there are still a number of Board
459 priority setting discussions that need to take place and have not yet taken place the way
460 the District did with regard to aquatic invasive species or land conservation. She said that
461 she felt strongly that the Board needs to have these discussions and make decisions with
462 regard to priorities before setting the budget, rather than having discussions developing
463 the budget in committee. She also noted that it is unclear what the effects will be of the
464 District's approach of using debt to undertake projects. She said she is also not clear on
465 how much cash the District has on hand for present needs. The managers discussed the
466 budgeting and levy-setting process in recent years, and the scope and manner of the
467 District's use of debt financing for capital work. Mr. Wisker said that staff facilitated a
468 joint committee meeting on financing recently that specifically outlined the District's
469 capacity to carry debt to support its capital improvement program. He noted that the
470 previous presentation provided sample runs performed by the District's financial advisors
471 highlighting the capacity to carry debt with fractions of its existing capital project levy.
472 He also observed that the previous discussion outlined the merits of separating the capital
473 and program budgets, since the current budget-levy gap is primarily the result of using
474 one-time capital project revenue to develop multi-year programs. He said that in
475 coordination with the financial experts at Springsted Inc., staff has provided review of the

476 feasibility of the District approach to long-term debt financing through a combination of
477 levying and debt service management. *Upon vote, the motion carried 5-1, Manager*
478 *Blixt voting against.*

479

480 Amendment of Memorandum of Agreement with Gateway Knollwood LLC

481

482 Mr. Wisker said that the original cooperative agreement between Knollwood Mall LLC,
483 the District and the City of St. Louis Park stated that the three parties would enter into a
484 further agreement for a collaborative regional facility by October 1, 2015, and if that
485 were not achieved, Knollwood would award a contract for construction of best
486 management practices on its site at the St. Louis Park Target facility by March 1, 2017,
487 and complete substantial construction by October 1, 2017. Knollwood since has
488 transferred the property to Gateway Knollwood LLC and assigned the cooperative
489 agreement rights and obligations accordingly. He said that though the date for entering
490 into an agreement for a collaborative regional project has passed, Gateway, the District
491 and the city have not completed the exploration of opportunities and wish to extend the
492 timeframe to do so, without extending the timeframe for Knollwood to construct onsite
493 BMPs. He said that the search for the opportunity to provide stormwater management for
494 the 150-acre subwatershed at a regional facility remains a worthwhile endeavor in his
495 view and he recommends that in light of the no change to the deadline for construction of
496 onsite BMPs, the managers authorize the extension. He said that the potential benefit is
497 treatment of 150 acres as opposed to only 37 acres. *Manager Calkins moved, and*
498 *Manager Olson seconded, adoption of Resolution 15-092, authorizing the president to*
499 *sign the amendment to the cooperative agreement. Upon vote, the motion carried 6-0.*

500

501 BOARD DISCUSSION ITEMS

502

503 Board of Managers Team-Building Proposal

504

505 Manager White stated that in the packet for the evening is a request for a decision from
506 the Board of Managers on whether to hire Anne Warfield from Impression Management
507 Professionals to conduct a team-building exercise at the Board of Managers retreat on
508 October 29. She said she has no strong feeling about the proposal herself, but rather had
509 been directed by the board to develop an approach to addressing board collaboration and
510 provides the recommendation for consideration.

511

512 Manager Shekleton said his view is that it is not necessarily important for the District to
513 undertake a team-building exercise given the significant work items that the board has
514 accomplished in recent months – the solid work to address a difficult budget issue
515 foremost among them. He said the board has been working without acrimony and he is
516 not sure there would be value to such an exercise. Manager Calkins said that he worked
517 on an email response to the proposal to have Ms. Warfield conduct the exercise, but
518 didn't finish it, but he can say that his initial response to it was not positive. He does not

519 believe that it is realistic, as she stated in her email to the managers, for the board to start
520 with a clean slate. It is not possible to put aside past experiences that have been difficult
521 for several of the managers and have yet to be addressed. He said team-building is not the
522 answer and though the board voted to undertake mediation, he has consistently voted
523 against it and has not changed that position. He stated that he believes that the board has
524 some serious issues to deal with, including resolving the dismissal of the prior
525 administrator, and that there is a division among the managers that needs to be faced. He
526 believes the managers need to address these issues, but he is pessimistic about the
527 outcome that would be achieved.

528

529 Manager Olson stated that he believes the strength of the board is that it does not act as a
530 team but rather each manager brings a perspective to the job, the focus and mission of
531 which are shared. ***Manager Olson moved that the Board of Managers not undertake a***
532 ***team-building exercise and cancel the October 29 retreat, leaving the option of***
533 ***convening a retreat later with a different agenda as an option. Manager Miller***
534 ***seconded.*** Manager Miller said he believes that with tension better results are achieved
535 and that it is time for the managers to move on and work on the important work that the
536 District has to do. He believes that the important interfaces with staff, partners and
537 stakeholders are in place and the managers are in a position to complete the work that
538 they need to undertake. ***Manager Miller moved, and Manager White seconded, to***
539 ***cancel the directive for development of a facilitated discussion.***

540

541 Manager Blixt stated that she has created, along with managers Olson and Calkins, a list
542 of governance issues that need to be addressed and they have yet to be addressed. She
543 believes that discussion needs to take place because it is related to the framework that the
544 managers use to do the work that they have to do. Manager White said that at the spring
545 2014 retreat, governance issues were addressed and were brought back in final form for
546 board adoption in November and those changes to the governance policies were adopted.
547 Manager Blixt stated that to address the issues that she believes need to be addressed, an
548 outside facilitator is needed. Manager Miller said he would not participate in a facilitated
549 discussion. The managers discussed options for productive discussion to move the Board
550 of Managers forward. Manager White clarified that the original motion was for a
551 mediator or a facilitator to facilitate a discussion among the managers to address
552 outstanding issues and that at the time that the motion was made by her, but it was
553 amended to add that the hoped-for result was to improve board outcomes. ***Upon vote,***
554 ***the motion to amend the original motion failed, 2-4, managers Olson, Shekleton,***
555 ***Calkins and Blixt voting against. Upon vote, the main motion carried 6-0.***

556

557 **STAFF UPDATES**

558

559 Administrator's Report

560

561 Mr. Erdahl noted the need to appoint a secretary pro tem since Manager Rogness is not in
562 attendance this evening. ***Manager Miller moved and Manager White seconded***
563 ***appointment of Manager Olson. Upon vote, the motion carried 6-0.***

564

565 Mr. Erdahl noted that the Cynthia Krieg grant application period official closed on
566 Friday, October 16, and 18 applications requesting a total of \$287,058 were received for
567 a budget of \$125,000, so there will be a strong competitive process. He said recruiting for
568 the 2016 class of Master Water Stewards is under way and the District will hold an
569 informational session next week. Finally, he added that the District's new and improved
570 interactive map is available on its website.

571

572 **Closed Session – Mooney Lake Preserve Litigation**

573

574 The Board of Managers convened in closed session to receive an update on and discuss
575 litigation strategy with counsel John Baker of Greene Espel and Mr. Welch in the
576 continuing Anne Healy et al v. BPS Properties, the City of Orono and MCWD litigation.

577

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* * *

579

580 The Board of Managers reconvened in open session.

581

582 **ADJOURNMENT**

583

584 *There being no further business, the regular meeting of the Board of Managers*
585 *adjourned at 10:20 p.m.*

586

587 Respectfully submitted,

588

589

590

591

592 Secretary