

1
2
3 **MINUTES OF THE REGULAR MEETING OF**
4 **THE MINNEHAHA CREEK WATERSHED DISTRICT**
5 **BOARD OF MANAGERS**
6

7 **February 8, 2018**
8
9

10 **CALL TO ORDER**

11
12 The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called
13 to order by President Sherry White at 7:20 p.m. on Thursday, February 8, 2018, at the District
14 offices, 15320 Minnetonka Boulevard, Minnetonka, Minnesota.
15

16 **MANAGERS PRESENT**

17
18 Sherry White, Richard Miller, Kurt Rogness, William Olson, Bill Becker, Jessica Loftus.
19

20 **MANAGERS ABSENT**

21
22 Brian Shekleton.
23

24 **DISTRICT STAFF AND CONSULTANTS PRESENT**

25
26 Lars Erdahl, Administrator; James Wisker, Planning and Projects Director; Becky Christopher,
27 Lead Planner-Project Manager; Laura Domyancich, Project and Land Technician; Heidi Quinn,
28 Permitting Technician; Chris Meehan, District Consulting Engineer; Chuck Holtman, District
29 Counsel.
30

31 **MATTERS FROM THE FLOOR**

32
33 None.
34

35 **APPROVAL OF AGENDA**

36
37 *Manager Olson moved, Manager Rogness seconded approval of the agenda with the addition*
38 *of 325 Blake Road fund transfer to cover operating costs as Item 11.3, and authorization to*
39 *contract for 325 Blake Road decommissioning as Item 11.4. Upon vote, the motion carried 6-0.*
40

41 **INFORMATION ITEMS/CORRESPONDENCE**

42
43 Manager White referenced the East Auburn Stormwater Pond Update in the packet.
44

45 **CONSENT AGENDA**

46
47 *Manager Becker moved, Manager Rogness seconded approval of the consent agenda,*
48 *consisting of the January 25, 2018 Board minutes. Upon vote, motion carried 6-0.*
49

50 **REGULAR AGENDA**

51
52 **Board, Committee and Task Force Reports**

53
54 President White noted that Manager Shekleton would be attending the February Citizens'
55 Advisory Committee (CAC) meeting as the Board's liaison and Manager Rogness would do the
56 same at the March CAC meeting. By unanimous consent, Managers White, Miller and Loftus
57 were named as Board liaisons to the Blake Road Joint Working Group.

58
59 **Permit 17-576: Blake Road, City of Hopkins**

60
61 Ms. Quinn described the project consisting of road reconstruction with additional trail on 1.8
62 miles of Blake road that includes Hopkins, Hennepin County and Minnesota Department of
63 Transportation (MnDOT) right-of-way as well as easements on District property. The project
64 triggers the District's erosion control, wetland protection, shoreline and streambank stabilization,
65 floodplain alteration, and waterbody crossings and structures rules. The City, as well, requests a
66 variance with respect to the directional boring setback from the creek under the District's
67 waterbody crossings rule. Ms. Quinn reviewed how the City will comply with each District rule
68 as well as the basis for the variance, which rests on the existence of a high-capacity subsurface
69 natural gas pipeline in the vicinity of the required setback north of the creek. The City proposes
70 to use additional erosion control precautions to prevent sedimentation of the creek. Ms. Quinn
71 reviewed each factor under the variance rule.

72
73 *Manager Rogness moved, Manager Becker seconded to grant the requested variance for the*
74 *reasons set forth in the City's request and the staff memorandum. Upon vote, the motion*
75 *carried 6-0.*

76
77 *Manager Miller moved, Manager Rogness seconded permit approval with the three conditions*
78 *recommended by staff as follows: Authorization from the District and MnDOT to conduct*
79 *work on their respective properties; Submittal of an executed maintenance agreement for the*
80 *waterbody crossing after approval of a draft by District staff; Identification of the contractor*
81 *responsible to implement the erosion control plan. Upon vote, the motion carried 6-0.*

82
83 **Submittal of Letter to BWSR Regarding Watershed-Based Funding Pilot Program**

84
85 Ms. Christopher presented proposed correspondence to the Minnesota Board of Water and Soil
86 Resources (BWSR) prepared at the request of the Policy and Planning Committee and
87 coordinated with counsel. The letter speaks to the District's concern as to the lack of
88 transparency and watershed organization engagement; the apparent divergence from watershed-

89 based implementation to a county basis; the lack of incentives for prioritized, targeted and
90 measurable projects; the lack of sufficient BWSR guidance; and a concern as to the pilot
91 program approach becoming long-term policy for Clean Water Fund implementation. The letter
92 requests that BWSR give its policy questions greater consideration with the involvement of
93 metro watershed management organizations.

94
95 Staff proposes to send the letter to the BWSR executive director with copies to relevant BWSR
96 Board members and staff, as well as metro watershed districts and the Minnesota Association of
97 Watershed Districts.

98
99 *Manager Olson moved, Manager Miller seconded adoption of Resolution 18-010 as follows:*

100
101 ***NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek***
102 ***Watershed District Board of Managers authorizes the Board President to sign***
103 ***the attached letter for submittal to the appropriate BWSR staff and board***
104 ***members.***

105
106 *Upon vote, the motion carried 6-0.*

107
108 Contract with Springsted for Human Resources Plan Implementation

109
110 Mr. Wisker presented the proposed resolution authorizing the District Administrator to contract
111 with Springsted Incorporated for human resources assistance consisting of a review of job
112 descriptions and job classifications and a market salary review. This request follows the
113 discussion at the Operations and Programs Committee meeting held earlier this evening. In
114 addition, the proposed resolution would formalize the Board's subdelegation to Mr. Wisker of all
115 authority related to human resources plan implementation delegated to the District
116 Administrator.

117
118 *Manager Rogness moved, Manager Olson seconded adoption of Resolution 18-011 as follows:*

119
120 ***NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek***
121 ***Watershed District Board of Managers hereby authorizes the District***
122 ***Administrator to execute a contract with Springsted Incorporated for human***
123 ***resources planning services for an amount of \$30,900, with a not to exceed***
124 ***amount of \$33,300.***

125
126 ***NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board of***
127 ***Managers affirms that Planning and Projects Director Wisker has the***
128 ***responsibility and administrative authority to implement all aspects of the***
129 ***adopted organizational chart and Human Resources plan.***

130
131 *Upon vote, the motion carried 6-0.*

132

133 325 Blake Road Fund Transfer

134
135 Mr. Hayman presented a proposed Resolution authorizing a transfer of funds from the 325 Blake
136 Road capital account to the operations account. With the conclusion of facility leases, there is no
137 longer revenue coming into the operations account and additional funds are needed to continue to
138 provide basic facility oversight and decommissioning.

139
140 *Manager Miller moved, Manager Rogness seconded adoption of Resolution 18-012 as*
141 *follows:*

142
143 ***NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek***
144 ***Watershed District Board of Managers authorizes the transfer of \$78,531.74***
145 ***from the 325 Blake Road capital account (fund ending 017) to the 325 Blake***
146 ***Road operations account (fund ending 025) to uphold standard operating***
147 ***expenses.***

148
149 *Upon vote, the motion carried 6-0.*

150
151 325 Blake Road Decommissioning Cost

152
153 Mr. Hayman noted that the District engineer is reviewing issues related to mercury that
154 previously had been injected into the ammonia refrigeration system as an anti-corrosion additive
155 and the need to review and potentially take action with respect to ammonia gas that had been
156 removed from the system and shipped off site.

157
158 *Manager Miller moved, Manager Olson seconded to authorize the District Administrator to*
159 *execute contracts relating to the disposition of materials from 325 Blake Road*
160 *decommissioning not to exceed, in aggregate, \$150,000, with consent of the Board President*
161 *and on advice of counsel.*

162
163 Manager Becker asked for a further description of the issue. Mr. Hayman related that after the
164 ammonia gas had been removed from the system by a firm retained by the District's refrigeration
165 system management subconsultant, the subconsultant observed liquid mercury in the
166 refrigeration system. The mercury was immediately contained and the ammonia gas that had
167 been sent off site was tracked down. At this time the firm that took possession of the ammonia
168 has had sampling of the gas done to determine whether there is mercury in the gas that affects its
169 regulatory classification and its use. That analytical work is presently being done in Iowa.
170 Depending on the results, the District engineer may recommend action that should be taken
171 before the Board's next meeting. Mr. Holtman clarified that the ammonia gas shipped offsite
172 remains contained in tanks and there has been no release or application.

173
174 *Upon vote, the motion carried 6-0.*

175
176

177 Comment on District Water Management Planning Process

178

179 Manager Miller commented that the District should send a copy of the color-printed plan
180 summary to each person who participated in the plan development process. Mr. Wisker proposed
181 that the summary be sent with a thank-you letter. The Board concurred.

182

183 District Administrator Transition

184

185 President White reported that at the direction of the Board, she, Manager Loftus and Manager
186 Miller talked with Mr. Wisker and Louis Smith regarding Mr. Wisker's interest in the
187 Administrator position following Administrator Erdahl's departure. President White reported that
188 Mr. Wisker is willing to take the job and that areas that Mr. Wisker would like to discuss,
189 including District culture, expectations and mentoring and growth resources, will be discussed at
190 the Board retreat tomorrow. Manager Miller concurred that an excellent discussion was held.

191

192 Big Island Nature Park Easement and Orono Planning Update

193

194 Ms. Domyancich reviewed the past year of occurrences relating to planning and conditions on
195 the Big Island Nature Park. The District initially was involved through staff with the Big Island
196 Committee brought together by the City of Orono. Over the summer District staff observed
197 violations of the District's conservation easement, following which District and City staffs
198 coordinated to develop an approach to addressing the violations. In December, a concept plan for
199 limited site improvements was produced and a meeting was held on January 31 involving
200 District and City staff, a representative of the City's park commission and the City's consultant,
201 Bolton and Menk, for an initial review of the master plan. In the spring, staff will review site
202 conditions to formulate final restoration conditions relating to the violations.

203

204 Ms. Domyancich reviewed the initial concept plan that includes the following elements: crushed
205 rock foot trails for access under the Americans with Disabilities Act (ADA); refurbishing a small
206 building for a simple visitor center and constructing a toilet facility; safety measures such as
207 cameras; means such as bollards to protect areas against improper vehicle use; a modest veterans
208 memorial and several simple overlooks to the lake. Ms. Domyancich reviewed the steps toward
209 City approval of the improvement plan and how the District's own review and decision-making
210 process might be incorporated within that.

211

212 Manager Miller criticized local newspaper coverage of the District's role and observed that the
213 article diminished the importance of the violations that the District observed, including the
214 shoreline damage where the District had invested hundreds of thousands of taxpayer dollars. He
215 urged that the District be involved in any City grant applications for funds for its improvements.
216 Mr. Wisker replied that the District needs to formalize the process of its engagement that insures
217 proper review and decision points by the District.

218

219 President White asked whether the Board wishes to be involved in the City's design process.
220 Managers Becker and Olson suggested that this engagement is more technical and therefore
221 more appropriate for staff.

222
223 Manager Miller emphasized the District and State funds invested in the park and the need for the
224 District to be attentive. Ms. Domyancich indicated that the intent is for the Board to review the
225 concept plan and approve the actual design.

226
227 Manager Becker observed that all the proposed improvements are within the recreation area
228 except for the bollards and ADA trails, which would be at least in part within the conservation
229 area. He suggested that staff ask the City if these proposals reflect the City's current ADA plan
230 and, if not, the plan should be amended.

231
232 The Board concurred that staff should represent the District in the next phase of the process.
233 Manager Loftus added that while she agrees with this, this has been the approach to date and
234 there remain gaps in the City's understanding of the District's values, so the channels of
235 communication that have been used to this point have not been sufficient. She does not place
236 responsibility on District staff but notes the issue.

237
238 Manager Becker observed that the District should communicate to the newspaper its unhappiness
239 with the coverage, as that typically will help improve future coverage. Mr. Wisker also added
240 that the District should have a strong presence at both the Park Commission and City Council
241 levels and not rely on others to carry the District's positions to these bodies. He advised that staff
242 will develop a proposed engagement framework and present it to the Board on February 22.

243
244 **ADMINISTRATOR'S REPORT**

245
246 Mr. Erdahl noted the "2017 Year-End Review" at the managers' places. He gave kudos to Ms.
247 Mamayek and Ms. Bhimani among others for their work on this. He noted that on Monday he
248 met with City of Wayzata representatives who are planning a STEM program related to the Lake
249 Effect project. Mr. Lochner will be involved in this. He also noted that the research and
250 monitoring department has budgeted a small amount of funds for carp removal from Lake
251 Wassermann. The catch has occurred but is not yet weighed; staff hopes for some 20,000 pounds
252 of removal. Mr. Erdahl noted that the current University of Minnesota Aquatic Invasive Species
253 Research Center publication prominently features the District. He will send the managers copies.
254 He noted that he met recently with Joel Carlson about legislative matters and that the District's
255 auditor, Redpath, currently is in the District offices preparing for the 2017 audit report.

256
257 Mr. Wisker updated the board on discussions involving the City of Minneapolis, the Minneapolis
258 Park and Recreation Board, the Minnesota Department of Natural Resources and the District
259 with respect to groundwater issues in the Nokomis neighborhood. Three to five residents and
260 Representative Jean Wagenius will meet with the parties on February 15 to discuss. The Board
261 indicated it is comfortable with Mr. Wisker attending to represent the District.

262

Minutes of the Regular Meeting
Minnehaha Creek Watershed District
Board of Managers
2-8-2018

263 Mr. Wisker also updated the Board on the Carver County financing agreement. He noted that the
264 County Finance Officer (CFO) continues to want an additional mechanism to protect against
265 District default. Mr. Wisker related that Carver County bond counsel initially felt that the County
266 could partner with Hennepin County to exercise certain levy authorities within Hennepin County
267 if necessary, but the Hennepin County attorney does not agree. The CFO is proposing an
268 additional mechanism by which the District could certify multiyear levies for debt service. The
269 District does not favor this mechanism as it would superimpose a separate levy process over the
270 District's structured annual levy, and in the District's opinion is not necessary because the
271 already-incorporated mechanisms remove essentially all County risk. Mr. Wisker advised that
272 the parties will continue to talk and the Board will be briefed as to whether the matter has been
273 resolved.

274

275 Finally Mr. Wisker noted that Michael Schroeder, MPRB Assistant Superintendent for Planning
276 Services, presented the prior Meadowbrook project to the new MPRB planning committee,
277 which did not object and offered some support. Possibly at the end of March, the parties may
278 look to bring together a revised cooperative agreement that would allow the District to proceed
279 with its desired stream corridor improvements.

280

281 **ADJOURNMENT**

282

283 There being no further business, the regular meeting of the Minnehaha Creek Watershed District
284 Board of Managers was adjourned at 8:48 p.m.

285

286 Respectfully submitted,

287

288

289

290 Kurt Rogness, Secretary