

1                                   **MINUTES OF THE WORKSHOP MEETING OF**  
2                                   **THE MINNEHAHA CREEK WATERSHED DISTRICT**  
3                                   **BOARD OF MANAGERS**

4  
5                                   January 11, 2018  
6

7                                   **CALL TO ORDER**  
8

9                                   The workshop meeting of the Minnehaha Creek Watershed District Board of Managers  
10                                   was called to order by Treasurer Richard Miller at 7:10 p.m. on Thursday, January 11,  
11                                   2018, at the MCWD offices, 15320 Minnetonka Boulevard, Minnetonka, Minnesota.  
12

13                                   **MANAGERS PRESENT**  
14

15                                   Richard Miller, Kurt Rogness, William Olson, Jessica Loftus.  
16

17                                   **MANAGERS ABSENT**  
18

19                                   Sherry White, Brian Shekleton, William Becker.  
20

21                                   **DISTRICT STAFF AND CONSULTANTS PRESENT**  
22

23                                   Lars Erdahl, Administrator; Becky Christopher, Lead Planner-Project Manager; Telly  
24                                   Mamayek, Communications and Education Director; James Wisker, Planning and Project  
25                                   Director; Chris Meehan, Consulting Engineer; Michael Welch, Counsel.  
26

27                                   **MATTERS FROM THE FLOOR**  
28

29                                   None.  
30

31                                   **APPROVAL OF AGENDA**  
32

33                                   *Manager Rogness moved and Manager Olson seconded approval of the agenda as*  
34                                   *presented. Upon vote, the motion carried 4-0.*  
35

36                                   **CONSENT AGENDA**  
37

38                                   *Manager Rogness moved and Manager Olson seconded approval of the consent*  
39                                   *agenda, consisting of the minutes of the December 14, 2017, and December 21, 2017,*  
40                                   *meetings of the Board of Managers. Upon vote, the motion carried 4-0.*  
41

42 **REGULAR AGENDA**

43

44 **Board Committee and Task Force Reports**

45

46 In Manager White's absence there was no report from the president. Manager Loftus  
47 reported on the Operations and Programs Committee meeting that took place just prior to  
48 the workshop. She said that the committee worked through the entirety of its agenda,  
49 albeit backwards and that Manager Miller brought forward a motion that will be heard as  
50 part of the discussion of the human resources plan at item 11.7 on tonight's agenda.

51

52 **ACTION ITEMS**

53

54 **Election of Board Officers and Designation of Committee Assignments**

55

56 Manager Miller noted that in the absence of Manager White and two other managers the  
57 election of officers and committee assignments will wait until next meeting.

58

59 **Resolution 18-001: Approval of 2018 Fee Schedule**

60

61 Lars Erdahl stated that the schedule of permit fees is the same as the 2017 schedule and  
62 was provided in the packet this evening. ***Manager Olson moved and Manager Rogness***  
63 ***seconded adoption of Resolution 18-001, setting the 2018 Fee Schedule. Upon vote, the***  
64 ***motion carried 4-0.***

65

66 **Resolution 18-002: Approval of Depository of District Funds**

67

68 Mr. Erdahl stated that the Board of Managers has directed that MCWD's financial  
69 consultant, Springsted, issue a request for services for a new depository for the District's  
70 funds and that the RFQ will be pursued, but in the meantime staff is recommending that  
71 the District continue with Alerus, formerly known as Beacon Bank, as the depository of  
72 District funds. ***Manager Olson moved and Manager Loftus seconded adoption of***  
73 ***Resolution 18-002, designating Alerus as the depository of District funds and retaining***  
74 ***Springsted to complete a request for proposals for a new depository for District funds***  
75 ***as soon as practicable.*** Michael Welch stated that the District also should name  
76 depositories for escrow funds, and staff's recommendation is to maintain Alerus for those  
77 funds as well, and for letters of credit and bonds, which are stored in secure, fireproof  
78 storage at Smith Partners. Managers Olson and Loftus concurred that the resolution  
79 should so be amended accordingly. ***Upon vote, the motion carried 4-0.***

80

81 **Resolution 18-003: Approval of 2018 Official Newspaper**

82

83 Mr. Erdahl recommended that the District continue with the *Star Tribune* as the District's  
84 official newspaper. ***Manager Olson moved and Manager Rogness seconded adoption of***

85 ***Resolution 18-003, designating the Star Tribune as the official newspaper of the***  
86 ***District. Upon vote the motion carried, 4-0.***

87

88 Resolution 18-004: Adoption of the Watershed Management Plan

89

90 Becky Christopher appeared before the Board of Managers to present the District's  
91 updated Watershed Management Plan, which was approved by the Board of Water and  
92 Soil Resources on December 20, 2017. Manager Olson stated that at the Minnesota  
93 Association of Watershed Districts conference this year a BWSR staff person told him  
94 that the MCWD plan was the gold standard for watershed plans and that he was  
95 extremely proud to have been involved in the development of this plan. Manger Miller  
96 seconded Manager Olson's compliments, noting that the plan represented very fine work.  
97 ***Manager Rogness moved and Manager Loftus seconded adoption of Resolution 18-***  
98 ***004, adopting the 2018 to 2027 Watershed Management Plan. Upon vote, the motion***  
99 ***carried 4-0.***

100

101 Resolution 18-005: Nokomis Neighbors for Clean Water Reimbursement

102

103 Telly Mamayek appeared before the Board of Managers and explained that the District  
104 authorized a cost-share contribution to the Nokomis Neighbors for Clean Water outreach  
105 effort in 2015. She explained that the District contribution was \$100,000, which  
106 complemented by an award of \$399,425 of Clean Water Legacy funds and was issued for  
107 completion of best management practice retrofits on homes in a 15-block area of the  
108 Nokomis neighborhood of Minneapolis. She stated that the cost-share grant was provided  
109 to Metro Blooms and a contract was entered for the program calling for payment of  
110 \$20,000 per year for each year on receipt by the District of an education and outreach  
111 report. She stated that the District has reimbursed Metro Blooms \$20,000 for each of the  
112 first three phases of the project and a total of \$60,000 for best management practices  
113 installed on nine blocks within the project area. Ms. Mamayek provided some photos of  
114 the projects that have been installed in the neighborhood, including raingardens and  
115 pervious pavers on alleyways. She stated that due to greater than anticipated interest from  
116 property owners in installing BMPs, Metro Blooms exceeded the goal of 180 BMPs by  
117 the end of the fourth phase, but installed those BMPs over a 12-block area instead of the  
118 15 in the proposal that was approved by MCWD. She said the item is before the Board of  
119 Managers to authorize payment of the remaining \$40,000, given the completion of the  
120 project and the exceedance of the goal of 180 BMPs on three fewer blocks and in one less  
121 phase than in the original approval from the managers. She explained that the Board of  
122 Water and Soil Resources has authorized payment of the Clean Water Legacy Grant  
123 funds in full for the project.

124

125 Finally, Ms. Mamayek noted that the BMPs installed are estimated to remove 17 pounds  
126 of total phosphorus per year and 4,300 pounds of total suspended solids, treating a total  
127 of 2.8 million gallons of runoff a year. In response to a question from Manager Miller,

128 Ms. Mamayek stated that these performance numbers were supplied by Metro Blooms.  
129 ***Manager Olson moved and Manager Rogness seconded adoption of Resolution 18-005,***  
130 ***authorizing the payment of the remaining \$40,000 in cost-share funding for the project***  
131 ***contingent on submission by Metro Blooms of written acknowledgement that such***  
132 ***payment will constitute satisfaction of the August 11, 2015, agreement for the project.***  
133 ***Upon vote, the motion carried 4-0.***

134

135 Employment Separation Agreement

136

137 Mr. Erdahl noted that the separation agreement was provided to the managers by legal  
138 counsel for their consideration and that the item on the agenda this evening is  
139 authorization of the president to execute the separation agreement with him on advice of  
140 counsel. ***Manager Rogness moved and Manager Olson seconded the motion to***  
141 ***authorize the president to execute the separation agreement with Lars Erdahl as***  
142 ***presented. Upon vote, the motion carried 4-0.***

143

144 Manager Olson stated that at the Operations and Programs Committee meeting prior to  
145 this evening's meeting, the committee discussed having Manager White as president,  
146 Manager Loftus as chair of the Operations and Programs Committee, and Manager Miller  
147 as chair of the Policy and Planning Committee meet with James Wisker to discuss terms  
148 for Mr. Wisker to assuming the responsibility to serve as administrator as of March 1 and  
149 to report back to the Board of Managers at the February 8 meeting. ***Manager Olson***  
150 ***moved and Manager Miller seconded direction to Managers White, Loftus and Miller***  
151 ***to meet with Mr. Wisker and report as noted. Upon vote, the motion carried 4-0.***

152

### 153 BOARD DISCUSSION ITEMS

154

155 Carver County Finance Banking Services Request for Proposals

156

157 Mr. Wisker came before the Board of Managers and noted that there is no proposed  
158 action for this evening but rather just a discussion of the development of a request for  
159 proposals for short-term financing for the District's work in the Six Mile Creek  
160 subwatershed to support the Carver County master finance agreement. He said that the  
161 request for proposals will be developed in conjunction with and will be reviewed by  
162 District bond counsel, the District's financial consultant and general counsel. He said the  
163 request is straightforward and results from discussions with Carver County, which will  
164 advance the bonds covering the financing but cannot provide short-term financing. The  
165 request for proposals is needed to find a provider for short-term financing, most likely to  
166 be fulfilled from the commercial banking market. The criteria for reviewing the proposals  
167 have been provided in draft form in the packet. He stated that staff will need to issue the  
168 request for proposals to comply with applicable rules. He stated that the present plan  
169 would be to bring the RFP to the January 25 meeting for approval. In response to a  
170 question from Miller, Mr. Wisker explained that this structure is different from the

171 financing structure the District has with Hennepin County in that Hennepin County  
172 provides the short-term financing via notes for capital projects and land acquisitions, then  
173 over time those are aggregated for a bond issuance. Carver County cannot provide the  
174 short-term financing, so we need that from a commercial bank. Carver County then will  
175 issue the bonds.

176

177 **STAFF UPDATES**

178

179 **Administrator's Report**

180

181 Mr. Erdahl noted that the District office will be closed Monday for the Dr. Martin Luther  
182 King Jr. holiday and that the Metropolitan Minnesota Association of Watershed Districts  
183 meeting is Tuesday at the Capital Region Watershed District offices; he said that he and  
184 Manager White will attend and others are welcome to. He said that the board is looking  
185 for a date for its retreat and he will follow up via email to identify one but at present there  
186 is discussion of February 1 in the evening or on February 15 in the evening or perhaps the  
187 afternoon of February 9. He stated that on January 26 staff will be having its annual  
188 retreat which this year will have focus on effective teams for focusing on strategic  
189 priorities.

190

191 **ADJOURNMENT**

192

193 There being no further business, the meeting of the Board of Managers adjourned at 7:37  
194 p.m.

195

196 Respectfully submitted,

197

198

199

200 Kurt Rogness

201 Secretary