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**MINUTES OF THE REGULAR MEETING OF  
THE MINNEHAHA CREEK WATERSHED DISTRICT  
BOARD OF MANAGERS**

September 14, 2017

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**CALL TO ORDER**

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The regular meeting of the Minnehaha Creek Watershed District Board of Managers was called to order by President Sherry White at 6:52 p.m. on September 14, 2017, at the MCWD offices, 15320 Minnetonka Boulevard, Minnetonka, Minnesota.

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**MANAGERS PRESENT**

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Sherry White, Richard Miller, Brian Shekleton, Bill Becker, William Olson, Kurt Rogness, Jessica Loftus.

23  
24

**MANAGER ABSENT**

25  
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None.

27  
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**DISTRICT STAFF AND CONSULTANTS PRESENT**

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30  
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Lars Erdahl, Administrator; Matt Cook, Planning Assistant; Telly Mamayek, Communications and Education Director; David Mandt, Operations and Support Services Director; Tiffany Schaufler, Project and Land Program Manager; James Wisker, Planning and Projects Director; Michael Welch, Counsel.

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**MATTERS FROM THE FLOOR**

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36

None.

37  
38

**APPROVAL OF AGENDA**

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*Manager Miller moved and Manager Becker seconded approval of the agenda. Upon vote, the motion carried 6-0.*

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**INFORMATION ITEMS AND CORRESPONDENCE**

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45  
46

President White announced that the District would have a public comment session on the 2018 budget and levy at its regular December 14 meeting.

**CONSENT AGENDA**

*Manager Rogness moved and Manager Olson seconded the consent agenda, consisting of approval of the August 24, 2017, minutes of the meeting of the Board of Managers;*

47 *approval of the August 30, 2017, special meeting of the Board of Managers; and*  
48 *adoption of the following resolutions:*

49  
50 ***Resolution 17-056: Approval of the revised Mooney Lake Emergency Pumping***  
51 ***Plan***

52  
53 ***NOW, THEREFORE, BE IT RESOLVED, that the revised Mooney Lake***  
54 ***Emergency Pumping Plan is approved.***

55  
56 ***Resolution 17-052: adoption of the Riley Purgatory Bluff Creek Boundary***  
57 ***Change Resolution of Support***

58  
59 ***NOW, THEREFORE, BE IT RESOLVED that the Board of Managers***  
60 ***supports the submission of a petition to BWSR pursuant to Minnesota Statutes***  
61 ***103B or 103D to alter the boundaries of the RPBCWD and MCWD as described***  
62 ***in Attachment A; and***

63  
64 ***BE IT FURTHER RESOLVED that the MCWD Administrator is authorized to***  
65 ***fulfill all responsibilities of the MCWD to implement the boundary adjustment***  
66 ***as approved by BWSR.***

67  
68 ***Upon vote, the motion carried 6-0.***

69  
70 Manager White said she would be attending the September 23 prairie restoration event at  
71 Six Mile Creek, which is part of the 50<sup>th</sup> anniversary celebration, and invited the other  
72 managers to join her. Michael Welch noted for the managers that the resolution  
73 supporting the Riley-Purgatory-Bluff Creek Watershed District's proposed boundary  
74 change differed from the resolution reviewed at the August 24 meeting in that it allowed  
75 Riley to proceed under either of the two available statutory schemes.

76  
77 Manager White had no president's report, so she turned to Manager Miller for a report  
78 from the Policy and Planning Committee meeting earlier in the evening. Manager Miller  
79 said that the committee received a summary report from staff on all District projects  
80 under way and he has nothing to add to that report. He said the committee also heard an  
81 update on the plan for redevelopment of the 325 Blake Road property. He noted that there  
82 are complicated issues to be dealt with on the property that will require careful attention  
83 of the board, staff and MCWD's partners for the project. But, he said, no unanticipated  
84 problems have been encountered so far.

85  
86 Manager Olson reported that the Citizens Advisory Committee meeting of September 13  
87 consisted of a review of two cost-share applications, which were recommended for  
88 approval.

89

90 Manager Miller noted that a sign on the rain garden project supported by the District at a  
91 home near his house is very small and difficult to read.

92

93 Manager White noted that the list of upcoming meetings and events in the agenda is  
94 complete and commended it to the managers' review.

95

96 *(Manager Loftus arrived, 7:00 p.m.)*

97

98 Manager Olson reported that he went on a veterans' group tour of Big Island Park and a  
99 number of state and local representatives of the watershed participated and a number of  
100 veterans were on hand to give history of the property. He said many expressed  
101 appreciation of the District's efforts to protect and conserve the park.

102

103 **PUBLIC HEARINGS AND PRESENTATIONS**

104

105 **2018 Budget and Levy**

106

107 President White opened the public hearing on the District's proposed 2018 budget and  
108 levy. Lars Erdahl presented the budget and levy, noting that the actions in front of the  
109 managers this evening at the conclusion of the public hearing are to approve the work  
110 plans, then to approve the budget and levy for 2018. He said the budget reflects changes  
111 made to respond to direction from the managers at the August 30 special meeting. The  
112 line item for debt service has been revised to reflect a realistic refinancing plan, and the  
113 budget has been adjusted to remove expenditures related to uncommitted grants. With  
114 these changes, even though the total levy amount is less than the budget total, there is no  
115 deficit because the District has resources to cover the gap. He added that the District has  
116 allocated carryover dollars to specific projects. He noted two corrections to reallocate  
117 funds and that the revised budget also includes a correction to a classification in capital  
118 finance and debt service, all of which is revenue-neutral. He said that the proposed  
119 preliminary budget is \$12,141,892 and the proposed preliminary levy is \$9,675,993. Mr.  
120 Erdahl reviewed the District's planning-project priorities and goals, noting that 2018 to  
121 2020 will focus on Painter Creek, Minnehaha Creek Corridor and the Six Mile Creek and  
122 Halsted Bay subwatersheds.

123

124 Mr. Erdahl said the budget represents a 9.79 decrease from 2017, with a 3.87 percent  
125 increase in the levy. With regard to fund balances the budget plan includes a modest  
126 spend-down because future plans are ambitious. The fund balance in information  
127 technology will involve implementation of an IT management plan in the coming year.  
128 He said that the cost-share program is still working through prior obligations to ensure  
129 that all have been met before allocating residual cost-share funds to other programs and  
130 projects. Mr. Erdahl also provided a breakdown of the levy on a per-property basis,  
131 giving typical increases that property owners would see. President White, seeing no  
132 members of the public wishing to comment on the budget, closed the public hearing.

133

134 Resolution 17-057: Acceptance of 2018 Work Plans

135

136 Manager Miller sought to confirm with Mr. Erdahl that the work plans are not quite ready  
137 to adopt. Mr. Erdahl stated that the District cannot increase its levy after adoption of the  
138 budget and levy but can lower it up to the last meeting in December. President White  
139 stated that the District accepts the work plans subject to adjustment as the year goes on.

140 ***Manager Shekleton moved and Manager Rogness seconded acceptance of the work***  
141 ***plans.*** Manager Miller asked about the place-based learning \$75,000 budget item and the  
142 implementation of the IT work plan. Mr. Erdahl explained that place-based learning is the  
143 replacement for the Cynthia Krieg program, which the District is discontinuing. It is  
144 designed to utilize partners to undertake education and outreach projects at places where  
145 the District is creating opportunities for such activities. Telly Mamayek came forward  
146 and confirmed Mr. Erdahl's description, though she noted that the Krieg budget was  
147 \$100,000 as opposed to the \$75,000 for 2018 for the place-based learning work. She said  
148 the program will allow staff to craft programming to expand the reach of the District's  
149 projects. Manager Miller said he understands the nature of the program but does not  
150 support it. Ms. Mamayek stated that the work is part of the District's post-project support  
151 and will utilize capabilities of Friends of the Mississippi River, Wilderness Inquiry and  
152 Three Rivers Park District, for example. In response to a question from Manager Loftus,  
153 Ms. Mamayek said that as a replacement for the Krieg grants the program more directly  
154 focuses the District's education and outreach efforts on programming that is targeted and  
155 developed in partnership. Manager Loftus asked how the budget number for the program  
156 was developed. Ms. Mamayek explained that the effort drew on past experience with  
157 grants that have been provided to some of the envisioned partners for this work and the  
158 nature of the programming that was delivered. She feels that programming in the  
159 District's three areas of focus can be delivered at the cost in the work plan.

160

161 Manager Miller noted that the signs that have been developed by the District for the  
162 Minnehaha Creek Greenway are effective education tools, and he believes that these  
163 would more adequately address the goals Ms. Mamayek proposes to address with the  
164 proposed program. Ms. Mamayek said that with active programming the District can  
165 bring specific groups such as policymakers out to see the District's work and provide  
166 programming tailored for them. Manager Loftus said that she believes in the education  
167 work the District does, but notes that the cost is rather high. She stated that it is important  
168 that the District track participants in such programs and that it require its partners to track  
169 participation. Ms. Mamayek stated that the District already tracks participants and  
170 participation at all of its events.

171

172 Manager Miller followed up with questions about the implementation of the IT plan. He  
173 said the District has been discussing implementation of an IT plan for a long time, but an  
174 actual plan has never been brought forward to the board. Mr. Erdahl explained that the  
175 District is developing a data-management and user-interface upgrade and will implement

176 these as part of its plan, but the plan is not ready to bring forward to the managers yet. He  
177 stated that the project and planning department needs better tools for tracking projects,  
178 and the District generally needs to update its website and enhance IT mobility. David  
179 Mandt came forward and explained that the managers will be seeing pieces of the IT  
180 implementation plan in coming months, with particular modules focused on document  
181 management and organizational database upgrades and integration, which are badly  
182 needed, as well as upgrades to hardware and software. He stated that two scopes of work  
183 will be coming before the managers: a permitting database and a projects and planning  
184 tracking system. He noted that there is \$160,000 in carryover funds available for the work  
185 already and the 2018 budget adds \$100,000. In response to further questions from  
186 Manager Miller, Mr. Mandt confirmed that the District is developing the IT plan  
187 internally and that it will be a five-year plan. In response to further questions from  
188 Manager Miller, Mr. Mandt explained that with regard to developing the plans for the  
189 organizational database, for example, staff is working with vendors with whom the  
190 District has ongoing relationships and has had successful past project work. He stated that  
191 interconnectivity among the District technology resources also is critical. He confirmed,  
192 however, that the District has no technology consultant on the development of the IT  
193 work plan. Manager Miller noted how important it was for staff to explain clearly what is  
194 needed and how it's going to be accomplished. He confirmed as well that the \$100,000  
195 added to the budget is not the total commitment that the District will make to the work.  
196

197 In response to a question from Manager Loftus, Mr. Mandt stated that the 2018 plan will  
198 include updating the permitting database, tracking of capital projects and upgrade in user  
199 interface. The managers and Mr. Mandt discussed a timeline for the managers to see the  
200 IT work plan. In response to the questions from Manager Loftus, Mr. Mandt confirmed  
201 that the managers have not been promised a work plan in the past that the staff have  
202 failed to deliver. He stated that the plan will be done in 2017 for spending, with board  
203 approval, in 2018. ***Upon vote, the motion carried 7-0. Manager Rogness moved and***  
204 ***Manager Shekleton seconded direction to staff to present the IT implementation plan***  
205 ***at the board workshop November 9. Upon vote, the motion carried 7-0.***  
206

207 Resolution 17-058: 2018 Budget and Levy Certification  
208

209 In response to a question from Manager Miller, Mr. Erdahl confirmed that cash-on-hand  
210 shown in the budget does not include the land acquisition and debt service accounts.  
211 ***Manager Miller moved and Manager Rogness seconded adoption of resolution 17-***  
212 ***058A, certifying the 2018 tax levy.***  
213

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
214				
215	Becker	X		
216	Loftus	X		
217	Miller	X		
218	Olson	X		

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219 Rogness X  
 220 Shekleton X  
 221 White X

222

223 *The motion carried 7-0.*

224

225 *Manager Olson moved and Manager Rogness seconded adoption of the 2018 budget.*

226

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
227				
228	X			
229	X			
230	X			
231	X			
232	X			
233	X			
234	X			

235

236 *The motion carried 7-0.*

237

238 Mr. Erdahl explained that the fund balances are as described in the budget detail and that  
 239 staff used \$400,000 in carryover general operating funds to reduce the levy by \$400,000.  
 240 He explained that the carryover was \$1.2 million and is now \$800,000. The remaining  
 241 carryover balance will be used for, as explained, the IT implementation plan at \$162,000  
 242 and \$1.5 million in the cost-share program, which staff is working through to determine  
 243 obligations and unfilled project dedications. He stated that the capital account for 325  
 244 Blake Road is \$1 million and that the District has surety funds as well, however, in  
 245 response to query from Manager Miller, Mr. Erdahl confirmed that these are not cash. In  
 246 response to a further question from Manager Miller, Mr. Erdahl explained that after the  
 247 budget rectification, there is \$7.7 million in the land conservation and debt service budget  
 248 items. Mr. Mandt stated that there is also \$1 million allocated to Minneapolis flooding  
 249 and infiltration project account, which work has not been implemented. He noted that the  
 250 District still has cash in hand.

251

252 Resolution 17-059: Authorization to Execute a Contract for Preliminary Design for  
 253 Flood Repairs and Minnehaha Creek Corridor Planning

254

255 Tiffany Schaufler presented the proposed contract. Manager Shekleton said that the work  
 256 on the agenda this evening is the first to come forward under the memorandum of  
 257 understanding the District entered with Minneapolis in February and, he hopes, is a first  
 258 step in a trend of continuing partnership with the city. Ms. Schaufler said that resolution  
 259 before the managers approves a \$107,630 contract with Wenck Engineering as the lead  
 260 for a collaborative project development and planning effort. She said that the focus has  
 261 been on the Minnehaha Creek subwatershed and the greenway in the past but now is

262 moving downstream to Minneapolis. The 2014 flooding led to the agreement with the  
263 City of Minneapolis that the managers authorized in February 2017 to review 32 sites that  
264 were damaged by flooding and advance selected projects for repair. She said that \$35,000  
265 was expended for a stormwater study. The proposal before the managers now reflects that  
266 the Minneapolis Park and Recreation Board has joined the discussion and promoted a  
267 focus on long-term planning for the 253-acre Minnehaha Creek Corridor Park. She stated  
268 that the consultant group will be looking at the Federal Emergency Management  
269 Agencies repairs and the master plan in an integrated manner. She said that the team  
270 selected includes the Hoisington Kogler Group with Wenck and Inter-Fluve, and that  
271 this was the unanimous selection of the partner team. Under the proposed contract, stage  
272 one-phase one of the overall project will be completed. The work will determine which of  
273 the 32 sites for which the District has received FEMA flood-repair funds will move  
274 forward to implementation. Those that are not selected will be integrated into the long-  
275 term master planning effort under a cooperative agreement with MPRB. Stage two will  
276 involve the regional master plan and Minnehaha Creek Regional Trail.

277  
278 Ms. Schaufler stated that the District has \$511,000 in FEMA funding for the 32 sites. She  
279 stated that the District also has a Clean Water Fund grant to look at stormwater outfalls,  
280 which work will be integrated into this effort. At the end of the phase one work in  
281 January 2018 there will be projects moved forward for implementation or into the  
282 planning effort. She stated that the District will contribute \$60,000 in project funding, to  
283 be coupled with the \$35,952 Clean Water Fund grant and \$11,678 from the 2017  
284 planning budget. She stated a cooperative agreement will be entered with MPRB before  
285 the construction work is ordered by the District under the standard capital improvement  
286 ordering process in Minnesota Statutes section 103B.251. ***Manager Shekleton moved***  
287 ***and Manager Miller seconded adoption of resolution 17-059.*** In response to a question  
288 from President White, Ms. Schaufler noted that the District has flexibility to move dollars  
289 among the FEMA sites, some of which have already received funding while others will  
290 have to be advanced for reimbursement. In response to a further question from President  
291 White, Ms. Schaufler noted that the FEMA funding must be utilized by July 2018, but  
292 staff has already made inquiry about an extension and has received positive feedback in  
293 response. ***Upon vote the motion carried 7-0.***

294  
295 **ADMINISTRATOR'S REPORT**

296  
297 Matt Cook of the District staff came forward and said that he is leaving the District to be  
298 the environmental administrator at the Lake Minnetonka Conservation District. The  
299 managers wished Mr. Cook good luck in his future efforts and thanked him for his  
300 tremendous efforts on the District's plan revision. James Wisker said Mr. Cook's help on  
301 the plan allowed the District to put forward a more comprehensive and broad-ranging  
302 effort than would have been possible otherwise. Mr. Erdahl echoed Mr. Wisker's thanks  
303 to Mr. Cook.  
304

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305 Mr. Erdahl said that he will be attending a Minnesota Association of Watershed Districts  
306 administrators meeting September 27. He noted as President White had the upcoming  
307 events including the prairie seed planting September 23 and the public lands hike at  
308 Coldwater Springs September 30, as well as the Sunset Celebration November 2. He  
309 stated that Sarah Fellows couldn't be here this evening, but she also is leaving the  
310 District, moving to the University of Minnesota Center for Changing Landscapes to  
311 continue work that she did while a graduate student. President White passed along her  
312 best wishes to Ms. Fellows, as did the rest of the managers.

313

314 President White noted the October 20 deadline for resolutions for the Minnesota  
315 Associate of Watershed Districts annual conference.

316

317 **ADJOURNMENT**

318

319 There being no further business, the meeting of the Board of Managers adjourned at 8:20  
320 p.m.

321

322 Respectfully submitted,

323

324

325

326 Kurt Rogness

327 Secretary