

1 **DRAFT**

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3 **MINUTES OF THE JOINT COMMITTEE MEETING**
4 **OF THE BOARD OF MANAGERS**

5
6 **August 4, 2016**

7
8 **CALL TO ORDER**

9
10 President White called the meeting to order at 6:45pm

11
12 15320 Minnetonka Blvd
13 Minnetonka, MN 55345

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15 **MCWD BOARD MEMBERS PRESENT**

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17 Sherry White, Dick Miller, Pam Blixt, Bill Becker, Brian Shekleton, Bill Olson

18
19 **MCWD STAFF PRESENT**

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21 Lars Erdahl, James Wisker, Telly Mamayek, Darren Lochner, Brett Eidem, Craig Dawson, Eric
22 Fieldseth, Yvette Christianson

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25 **APPROVAL OF AGENDA**

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27 Manager Shekleton moved, seconded by Manager Miller, to approve the agenda without change.

28
29 **MEETING SUMMARY**

30 Mr. Erdahl provided an introduction to the meeting, recapping the progress to date on the
31 development of the 2017 budget and levy. He also distributed a preview of the Comprehensive
32 Plan brochure and an updated schedule for MCWD Board Meetings for the remainder of 2016.

33
34 Mr. Wisker reviewed the relation between the 2017 budget development process and the
35 strategic planning and program evaluation process. He noted that recommended budget
36 reductions for 2017 are based on early thinking from the strategic planning process, but that
37 foundational strategic planning decisions would be made in the first and second quarter of 2017
38 to inform the 2018 budget.

39
40 Mr. Wisker then reviewed the Board and Committee Meetings to date and the respective
41 decisions that had been made. He identified the Meetings in April, May, June and July,
42 summarizing that at the July Joint Committee Meeting staff had outlined the following options to
43 close the remaining budget-levy gap:

- 44
45
 - Do not increase the levy \$100,000 for General Operations legal budget
 - Draw down \$400,000 of General Operations fund balance
- 46

- 47 • Do not increase the levy \$250,000 to manage the issue of delinquent taxes
- 48 • Remove \$80,000 in capital project funding dedicated to MPRB partnership
- 49 • Increase the levy by 7% to fund the implementation of the Minnehaha Preserve Project

50

51 ***Manager Miller motioned, seconded by Manager Shekleton, to recommend that the Board of***
52 ***Managers approve these policy decisions. Upon vote the motion passed 6-0***

53

54 Mr. Wisker then distributed the budget summary broken down by divisional area and programs.
55 Manager Blixt commented that debt service was a passive use of dollars for work MCWD has
56 already completed. The Committee discussed including a description of the work completed to
57 date through the District's use of debt, and various communications options regarding how the
58 final budget might be packaged. Mr. Wisker noted that staff would compile a complete budget
59 package for the upcoming public hearing that could provide additional context to the numerical
60 summary the Committee had received tonight.

61

62 Mr. Wisker then introduced Education and Communications and the Research and Monitoring
63 workplans.

64

65 Ms. Mamayek, Mr. Eidem and Mr. Lochner provided a budget summary of the Cynthia Krieg
66 Grant Program, Education Program, Communications Program and the Cost-Share Grant
67 Program.

68

69 Manager Blixt questioned how the decision was reached to reduce some budget expenditures
70 versus other program areas, like Cynthia Krieg. Ms. Mamayek articulated the analysis of trade-
71 offs that staff entertained and explained that the general approach was to make reductions across
72 the range of programs pending the completion of the strategic planning process which may
73 reveal more focused strategic reductions.

74

75 Manager Miller commended Ms. Mamayek and staff for addressing priorities and recommending
76 reductions in a spirit consistent with Board expectations. Manager Olson agreed noting that
77 while reductions are being made they have are strategic and are consistent with Board direction
78 and feedback.

79

80 Ms. Mamayek noted that while the reductions preserved most programming elements, that the
81 reductions were deep and would be felt. She commented that hopefully following the strategic
82 planning process there could be a future path of reinstating funding for specific priority
83 initiatives.

84

85 Manager Blixt commented that staff should not operate on the assumption that funding would be
86 reinstated in the future and that reduced levels of spending may be the new baseline. The
87 Committee and staff discussed the purpose and timing of the strategic planning process and how
88 it related to proposed program reductions. Mr. Wisker outlined that the purpose of the strategic
89 planning process was to identify and invest in the District's priorities with a systematic
90 organizational approach, rather than on a departmental basis. He noted that programs are

91 proposing reductions to balance the 2017 budget which do not completely eliminate
92 programmatic elements, and that future decisions by the Board would determine which program
93 elements would be organizationally prioritized for funding.

94

95 Manager Becker asked, regarding Cost-Share, how staff tracked the implementation of projects
96 receiving grant funding. Mr. Eidem noted that the program operates on a reimbursement basis
97 and that applicants do not receive reimbursement until staff completes field verification of
98 project implementation.

99

100 Mr. Dawson, Ms. Christianson, and Mr. Fieldseth then summarized the budgets for Research and
101 Monitoring, E-Grade, and Aquatic Invasive Species.

102

103 Manager Miller questioned what the total project costs and implementation time frame was for
104 E-Grade, and whether the program could expect to propose a budget increase for monitoring in
105 the future. Staff noted the cost to establish the E-Grade metrics for lakes, streams, wetlands and
106 terrestrial ecosystems was approximately \$600,000 for three pilot subwatersheds. Mr. Fieldseth
107 clarified that these were program startup costs and that monitoring costs for remaining
108 subwatersheds would vary based on the resources within a subwatershed, but that the program
109 would evaluate opportunities to keep costs within current budgets.

110

111 Manager Becker observed the proposed reductions in the AIS budget and questioned if it were
112 plausible to find additional reductions to inspection grants in the future. Mr. Fieldseth noted
113 these were questions that staff were working to answer through the strategic planning process.

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115 President White adjourned the meeting at 8:16 p.m.

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117

118 Respectfully submitted,

119

120 James Wisker

121 Director of Planning and Projects