

**LOWER MINNESOTA RIVER WATERSHED DISTRICT  
MINUTES  
WEDNESDAY, MAY 21, 2008, 7:00 PM**

**1. CALL TO ORDER**

President Kremer called the regular meeting of the Board of Managers of the Lower Minnesota River Watershed District to order at 7:00 PM on Wednesday, May 21, 2008 in the Council Chambers at the City of Chaska, Chaska, Minnesota.

**2. ROLL CALL**

Managers Present: Len Kremer, Ed Schlampp, Larry Samstad, Ron Kraemer, Kent Francis  
Also Present: Jerry Hennen, Scott County Commissioner, Clint Gergen, CENEX Harvest States, Shale Nyberg, Wells Fargo, Greg Genz, UMWA, Laura Jester, Dakota SWCD, Jerry Hennen, Scott County Commissioner, District's Attorney, Bruce Malkerson, staff members Terry Schwalbe and Joan Ellis

**3. APPROVAL OF MEETING AGENDA**

President Kremer requested that the watershed survey be added to the agenda under New Business, 10.c.. **It was moved and seconded to approve the meeting agenda as amended.**

**VOTE: Ayes 5; Nays 0.**

**4. CONSENT AGENDA**

**It was moved and seconded to approve the April 16, 2008 Minutes, Treasurer's Report and payment of bills. VOTE: Ayes 5; Nays 0.**

**5. OPEN FORUM**

No one spoke.

**6. APPROVAL OF MARCH 19, 2008 BOARD MINUTES, TREASURER'S REPORT AND PAYMENT OF BILLS**

The April 16, 2008 Minutes, Treasurer's Report and Payment of bills were approved under the Consent Agenda.

**7. PRESENTATIONS**

None.

**8. PRESENTATIONS FOR BOARD ACTION**

**a. Wells Fargo Investments/Adopt Investment Policy, Shale Nyberg**

Mr. Nyberg gave an overview of the status of our operating cash and investments.

**It was moved and seconded to approve the investment policy broker's certificate and authorized President Kremer to sign the certificate on behalf of the District. VOTE: Ayes 5; Nays 0.**

**b. City of Chaska Gully Inventory Projects, Bill Monk**

**1) Assumption Creek Wetland Enhancement**

The project is located at Audubon Road and County Road 17 and existing Highway 212. Mr. Monk reviewed the proposed project with the board adjacent from Assumption Creek. The intent of the project is to restore natural water collection and runoff features in a wetland that has been farmed and tiled. All work is within the District's boundaries with a total *estimated* cost of

\$61,670.00. The City of Chaska is requesting the District consider partnering on this project with each covering half of the total cost. This would be completed in the 2008/2009 time frame. There is no risk of development.

Manager Samstad inquired about the possibility of diverting water flow from west of County Road 17 into the area. Mr. Monk indicated there is a pond in the area, but would need to talk to all of the agencies that would need to be involved in diverting water back across the road.

**It was moved and seconded to give preliminary approval as a participant in the project as proposed with the condition that we have a chance to review the preliminary and final plans. VOTE: Ayes 5; Nays 0.**

Also the board asked the city in the future to consider conducting a feasibility study to determine whether or not water can be diverted from East Chaska Creek over to Seminary Fen as part of a new project.

The board inquired about acquiring easements to protect this area even though the city owns the property in case the city, at some time in the future, wants to do something with the property, they have to get approval from the District. Manager Samstad recommends doing this. The board agreed that there is some water quality improvement to the Minnesota River as a result of this project that we and the city can take credit for completing.

## **2) Hazeltine Bluff Wetland Restoration and Ravine Stabilization**

Mr. Monk reviewed this two-phase project with the board. The intent of this project is to restore an upland wetland and provide rate control to a steep ravine section thereby significantly reducing the sediment load to Seminary Fen. There is a sediment plume within the District that is coming close to destroying the vegetation. This work is technically outside the District but its impact does directly affect the watershed. The cost of the project totals \$230,000. The City of Chaska is requesting the District participate with the wetland enhancement in the amount of \$30,000. Mr. Malkerson indicated the District can develop a policy to spend money outside the District.

**It was moved and seconded to give conceptual approval assuming statutorily that the District can spend money outside the District. VOTE: Ayes 5; Nays 0.**

**It was moved and seconded to table any further approval to the next board meeting so the District's attorney can research whether or not the District can spend money outside the District. VOTE: Ayes 5; Nays 0.**

## **c. I-35W Additional Southbound Lane across the Minnesota River**

The District's engineer gave comments on the EAW for this project. **It was moved and seconded to approve adding an additional southbound lane across the Minnesota River on I-35W. VOTE: Ayes 5; Nays 0.**

## **d. 2007 District Audit Approval**

HLB Tautges Redpath is experiencing further need for the audit to be in compliance with GASBE 34 and SAS 112. Also, we are working with the accountant for further internal controls as required by GASBE and SAS.

**It was moved and seconded to approve the 2007 District Audit. VOTE: Ayes 5; Nays 0.**

## **9. OLD BUSINESS**

### **a. Nine-Foot Channel Issues**

Mr. Schwalbe explained that the USACOE is moving materials to form berms. The survey crew was out two weeks ago and final approval from DNR, MPCA, USACOE was completed for setting up the site to receive materials. Site set up will be completed in the next two weeks.

This year we have no budget for the channel, but we need to move forward at some time soon on another site or the Air Force site.

Mr. Schwalbe talked with Barry Stock at the City of Savage for petitioning for a special assessment. There is a Wednesday, June 18<sup>th</sup> Economic Development Commission that needs to have a presentation before the City Council. Mr. Stock also wanted to make sure that the decision for a special assessment was a unanimous decision.

1. Special assessment would require a unanimous vote.
2. A petition doesn't require a unanimous vote.

President Kremer said last year we were going to assess benefited properties on the Minnesota River, but we needed a 5/0 vote and only received a 3/2 vote in favor.

Mr Stock suggested we assess over a five year period and we were able to receive monies from the bonding bill at that point for the capital part of the site and if successful we could stop the assessment at that point.

As we know, the bonding effort at the legislature failed this year.

We have a commitment to the federal government to maintain the Nine-Foot Channel.

**It was moved and seconded to have the City of Savage petition the project for maintenance of the dredge sites and for past reimbursement to the District for dredge site acquisition out of the General Fund and authorize Mr. Schwalbe, Mr. Malkerson and President Kremer meet with Economic Development Commission June 18<sup>th</sup> at the city's request to explain the Nine-Foot Channel issues. VOTE: Ayes 3; Nays 2.**

**Mr. Malkerson said "benefiting properties", as a matter of law, is whatever property goes up in value because of the Nine-Foot Channel and gets assessed and only an appraiser can make that decision.**

### **b. Metropolitan Council Data Analysis, Len Kremer**

President Kremer reviewed the data analysis with the board. He would like to have Metropolitan Council data updated to current data. There is 250 tons of sediment tributary to the MN River at Jordan every year. About 25% of that is being deposited in the floodplain lakes. **It was moved and seconded authorizing Mr. Schwalbe to write a letter to receive updated graphs from 2000 – 20007/08. Mr. Schwalbe should include a request to find out what amount of data came from our District and amount of data that was collected out of our District. VOTE: Ayes 5; Nays 0.**

## **10. NEW BUSINESS**

### **a. Set 2009 first budget workshop date/time for June 2008**

The board set Thursday, June 26, 2008, 7:30 AM, Perkins in Shakopee for the first budget meeting and review of legal and engineering proposals. We may or may not schedule interviews with firms.

The board set Wednesday, July 9, 7:30 AM, Perkins in Shakopee for the 2009 Water Resource Plan engineering firms' proposals first meeting. We may or may not schedule interviews with firms.

### **b. Office move**

Our current office will be torn down so we needed to find another office. We have found a new office located within the District and are scheduled to move July 1, 2008.

**It was moved and seconded to authorize the president to sign a lease with Steinkraus to include a reasonable escape clause. VOTE: Ayes 5; Nays 0.**

### **c. Watersheds Survey**

President Kremer reviewed the watersheds survey sent out to the public.

## **11. ADMINISTRATOR REPORT**

### **a. Seminary Fen/Assumption Creek update**

Mr. Schwalbe met with a Hess family representative who is interested in selling the property, not interested in having the property encumbered with easements. He would consider allowing access to the property by certain agencies or non-profits for buckthorn removal and erosion control repairs. He also talked to two other property owners who wanted to think about what Mr. Schwalbe presented to him and call back in a week or two. He hasn't been able to talk to the Dunge family as yet.

Questions for the DNR are:

1. What is the value of the property
2. Is the DNR interested
3. Does Hess understand the limitation of
4. What about legislation
5. Process for invasive removal
6. Would they use Great River Greening
7. BWSR credits

### **b. Minnesota River Basin Commission**

Mr. Jeff Davidman, lobbyist, gave the board an update report. If there is enough money left in the account of Mr. Davidman, the board authorized him and Mr. Schwalbe to do summer lobbying with legislative committee members. The MRB may go to the legislature for funding. Would the UMWA group financially support us is a question. We also need one member from UMWA to support us at the legislature.

### **c. Dredge Sites Update**

No update at this time.

**d. Gully Inventory Update**

Mr. Schwalbe updated the board on the status of the cities south of the river. District still waiting for City of Carver to submit proposal.

President Kremer said we could apply for restoration dollars from the Clean Water Partnership to protect the “un” impaired waters in the fall.

**12. ATTORNEY’S REPORT**

None.

**13. UPCOMING MEETINGS/TOURS/EVENTS**

The MAWD summer tour is coming up.

**14. ADJOURN**

It was moved and seconded to adjourn the meeting at 8:22 PM. VOTE: Ayes 5; Nays 0.