

**LOWER MINNESOTA RIVER WATERSHED DISTRICT
MINUTES
WEDNESDAY, AUGUST 20, 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, August 20, 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
Also Present: Clint Gergen, Harvest States, Paul Machajewski, USACOE Navigation Specialist, District's Attorney, Bruce Malkerson, staff members Terry Schwalbe and Joan Ellis

3. APPROVAL OF MEETING AGENDA

It was moved and seconded to approve the meeting agenda. VOTE: Ayes 4; Nays 0.

4. CONSENT AGENDA

It was moved and seconded to approve the June 18th Minutes and payment of bills. President Kremer requested the July 16, 2008 Minutes and Treasurer's Report be removed from the Consent Agenda. VOTE: Ayes 4; Nays 0.

5. OPEN FORUM

No one spoke.

6. APPROVAL OF MINUTES

The Treasurer's Report and Payment of bills were approved under the Consent Agenda.

Under the minutes of July 16, 2008 (11.3.) Upper Mississippi TMDL Study with MN River included should have the name Mr. Schwalbe is working with as Ms. Peichel. Additionally, President Kremer was representing "Bassett Creek" not "Bass Creek". **It was moved and seconded to approve the July 16, 2008 Minutes as amended. VOTE: Ayes 4; Nays 0.**

Manager Samstad asked about the transcribing of the meetings. President Kremer agreed and said staff was to determine what it would take to provide the board transcripts of our meetings and talk to reference of Time Saver clients. Mrs. Ellis indicated that Time Saver owner and two watershed staff that work with Time Saver are on vacation. Information will be brought to the September meeting.

Manager Francis arrived at 7:04 PM.

7. PRESENTATIONS

None.

8. PRESENTATIONS FOR BOARD ACTION

None.

9. NEW BUSINESS

a. Fowler Property Nature Reserve Management Plan, Wenck Associates

A technical review of this plan was done by Wenck Associates, Inc. Comments are made a permanent part of the minutes. The report indicates there are some erosion issues but there are no solutions other than work with their neighbors and work for the City of Eden Prairie to resolve issues. President Kremer does not feel we should be commenting on this project and that the City of Eden Prairie should work on this project with the resident. The resident is not proposing to fill the flood plain. He is not proposing to develop any area in or adjacent to the flood plain nor is he altering the creek and all those issues we would want to make comment. The owner just wants to manage the vegetation on the property which we have no reason to comment on. Question is if city has a permit released to the property owner to do the work he is currently doing and does the city have a tree preservation ordinance. **It was moved and seconded to talk to the City of Eden Prairie about this plan and not take any action on it until we have talked to the city about the plan. VOTE: Ayes 5; Nays 0.**

b. Transportation Pooled Fund Study (980) Updating U.S. Precipitation Frequency Estimates for the Midwest Region

All funds have been raised and now they are proceeding with the update as of July 2008 for Minnesota and several upper states. The board requested staff to send to the managers any reviews on this project and the write up of the proposal and send to all the managers.

10. OLD BUSINESS

a. Shakopee and Savage bridge runoff flooding issues, Mr. Schwalbe

Mr. Samstad and Mr. Schwalbe went out to review these two issues. Mr. Schwalbe will be contacting the City of Shakopee and the Scott County highway department and the City of Savage to find out what issues they are having. The board requested staff to get a copy of the plans for both areas to review.

b. Administrator's Review

Manager Francis spoke with the list of people that have worked most with Mr. Schwalbe this year and he received favorable reviews from those people. Manager Francis is recommending a 4.5% increase. **It was moved and seconded to approve a 4.5% increase in salary for Mr. Schwalbe. VOTE: Ayes 5; Nays 0.**

c. 2009 Preliminary Budget review and discussion

President Kremer asked why budget #4335 went from \$2,000 to \$4,000. Mr. Schwalbe indicated that was budgeted for a person to transcribe the minutes. President Kremer said that since we haven't even talked about it there is no reason to increase the line item at this time. President Kremer asked about #4812 CAC Advisory Committee \$1,000. Mr. Schwalbe said that was in the budget for stakeholder involvement in the re-writing of the District's water resource plan. President Kremer recommended we remove \$1,000 from that line item.

Manager Samstad made a motion that 50% of the 2009 \$250,000 or at least \$100,000 of the administration levy be budgeted for the Nine-Foot Channel. This is said with the idea that the monies would be there and could be used the channel and the dredging with the caveat that it

would have to be paid back eventually. President Kremer asked Mr. Samstad if this motion could be postponed until after the other items proposed by the staff. Mr. Samstad agreed.

Cooperative Projects: Mr. Schwalbe pointed out the current on-going projects and those indicated by the board they were interested in. There was discussion about the cities of Eden Prairie, Carver, Chanhassen gully projects.

The board requested the accountant to number the pages of the proposed budget for the convenience of pointing out the page numbers to other board members as they move through budget review. Mr. Schwalbe will make that change.

509 Implementation:

Education:

Under #10-516 the District Signage of \$6,600 and Kiosks of \$5,000 can be moved to a new line item called Education in the amount of \$11,000 requested for rain garden workshops.

Water Resource Plan and Contingency Reserves:

President Kremer indicated that there is both a Water Resource Plan Contingency of \$150,000 and in the Summary also included a Contingency Reserve #10-543 of \$100,000. Mr. Schwalbe said the \$100,000 was to start building back our reserves which are currently at \$300,000.

Also at #10-544 509 Plan General there is also \$100,000 budgeted for again building up our reserves. President Kremer said we are not going to do anything on the 509 Plan General. As Manager Samstad mentioned there are monies borrowed to fund the Nine-Foot Channel that will need to be paid back as well as building back reserves. President Kremer said that if we are going to build up our reserves we should have a separate item entitled Reserves or Contingency and we should budget additional amounts there to make it clear to the public.

#10-550 \$200,000 for the new watershed management plan. President Kremer stated we don't have to budget the entire amount next year because we won't get the entire plan done in 2009. We have some done this year of monies that we currently have available. He recommended a more appropriate number of \$ 150,000 maximum in his opinion, maybe less. The consultants have proposed between \$150,000 to \$200,000.

Mr. Malkerson recommended that the planning levy be named under 103.b.241 as other watershed districts do to raise funds and Hennepin County always asks what we are raising under 103.b.241.

President Kremer stated that if the \$338,000 for reserves is adequate under Plan Implementation we can remove the \$100,000 out of the 509 Plan contingency, \$50,000 out of planning, \$10,000 out of contingency and \$2,000 for professional services for a total of \$162,000 to be removed.

There was some discussion to allocate Mr. Schwalbe's time/salary to projects.

Mr. Schwalbe said he will turn around the budget changes as soon as possible in preparation for the September 10, 7:30 AM public hearing, Valley Room, City of Chaska City Hall.

Manager Samstad moved and Manager Kraemer seconded to loan \$100,000 from reserves to the Nine-Foot Channel fund for operations and site preparation until funds from other resources are initiated.

Discussion:

Mr. Malkerson stated that for a city, under Chapter 429, you are not allowed to borrow to another fund, but watershed districts have special project rights and should look at whether you can reimburse the general fund from a general levy or special assessment.

After a lengthy discussion by the board the vote was taken. **VOTE: Ayes 2; Nays 3.**
Motion failed.

e. Discuss the 509 Plan Engineering interviews conducted August 6, 2008.

President Kremer indicated that in the interest of time this item should be postponed to the September 2008 meeting.

Mr. Schwalbe let the board know that BWSR will be at our September 2008 meeting so the board should have questions prepared especially based on the discussion under 10.d.

f. Flying Cloud Expansion 10R

It was moved and seconded to accept the engineers comments and forward on our letterhead to MAC and the City of Eden Prairie. VOTE: Ayes 4; Nays 0; Abstentions 2.

11. ADMINISTRATOR REPORT

a. Seminary Fen/Assumption Creek update

Mr. Schwalbe was asked to speak at the dedication. The MCC application was in and the project was turned down as being too big a project to handle. In regards to easements calls are in to Mr. Moe, the Hess property representative. Peggy Booth indicated there are nature and scientific funds available and they are waiting for the new replacement for Ross Sublett to get some experience before moving forward.

b. Update on legislative resolution implementing a MN River Valley Basin Commission and for federal and state funding. **It was moved and seconded to approve \$5,000 to Jeff Davidman's firm to make the appropriate legislative contacts on the basin commission resolution. VOTE: Ayes 3; Nays 2.**

c. Update on dredge sites – USACOE work at Cargill site

Mr. Schwalbe discussed the work that has been done at the site in regards to placing dredge materials on the site. The slope is steep and found difficult to push across all of our property.

Mr. Malkerson inquired about spoils material testing and whether or not we have been found to be in violation of any standards. Mr. Schwalbe said Judy Mayer or the PCA is working on this spoils placement now and she also works with the Corp on this. Last fall they tested the spoil materials and there a couple of items that are just above the lower limits. It was agreed that the District needs to know where it can go (i.e. Level one, two or three). Also need the exact parameters from the guidelines.

d. Black Dog/Xcel Cooling Lake improvements

Mr. Schwalbe explained the project of which a copy is hereby made a permanent part of the minutes.

Payment of bills:

President Kremer indicated that the District hasn't received a final report for the Nichols Fen work so will be holding the Gun Club Lake check until the board receives the report.

12. DISTRICT ATTORNEY REPORT

Nothing to report.

13. Upcoming Meetings/ Tours/Events

- a. UMWA meeting August 21, 2008

14. ADJOURN

It was moved and seconded to adjourn at 9:10 P.M. VOTE: Ayes 5; Nays 0.