



LOWER MINNESOTA RIVER WATERSHED DISTRICT

Minutes of Regular Meeting

Board of Managers

Wednesday, June 17, 2020

Carver County Government Center, 602 East 4th Street, Chaska, MN 7:00 p.m.

Approved _____, 2019

1. CALL TO ORDER AND ROLL CALL

On Wednesday June 17, 2020, at 7:00 PM, President Hartmann called to order the meeting of the Board of Managers of the Lower Minnesota River Watershed District (LMRWD). The meeting was convened on-line due to the health emergency created by the COVID-19 pandemic.

The first item on the agenda was the Oath of Office for Manager Salvato. Manager Salvato was appointed to the LMRWD Board of Manager by the Carver County Board of Commissioners on June 2, 2020. The Oath of Office and the Manager's Bond signed by Manager Salvato were read into the record by Administrator Loomis.

Manager Raby made a motion to accept Manager Salvato's Oath of Office and the Manager's Bond. The motion was seconded by President Hartmann. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

The Board welcomed Manager Salvato.

President Hartmann asked for roll call to be taken. The following Managers were present: Manager Adam Frey, Manager Dave Raby President Jesse Hartmann and Manager Lauren Salvato. In addition, the following joined the meeting: Linda Loomis, Naiad Consulting, LLC, LMRWD Administrator; Della Schall Young, Young Environmental Consulting Group, LLC, Technical Consultant; John Kolb, Rinke Noonan, Attorneys at Law, Legal Counsel; Lisa Frenette, Frenette Legislative Advisors, lobbyist for the LMRWD; Andy Hering, Redpath and Company auditor for the LMRWD; Jon Utecht, Scott County Soil & Water Conservation District; and Lindsey Albright, Dakota County Soil & Water Conservation District.

2. APPROVAL OF THE AGENDA

Administrator Loomis said she had no additions or corrections to the Agenda.

Manager Raby made a motion to approve the Agenda. The motion was seconded by President Hartmann. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

3. CITIZEN FORUM

Administrator Loomis said she had not received any communications from anyone that wished to address the Board.

4. CONSENT AGENDA

President Hartmann introduced the item.

- A. **Approve Minutes May, 2020 Regular Meetings**
- B. **Receive and file May 2020 Financial reports**
- C. **Approval of Invoices for payment**
 - i. **Daniel Hron - for May 2020 office rent**
 - ii. **Time Savers Offsite Secretarial Service - for preparation of March 2020 meeting minutes**
 - iii. **US Bank Equipment Finance - June 2020 payment on copier lease**
 - iv. **USGS - for Q2 2020 payment for sediment monitoring**
 - v. **Dakota County SWCD - for Q1 2020 monitoring**
 - vi. **DRB Consulting - for first installment of payment for data management**
 - vii. **Daniel Hron - for June 2020 office rent**
 - viii. **HDR Engineering, Inc. - for updating website with rules and permit applications**
 - ix. **Time Savers Off site Secretarial Services - for preparation of April 2020 meeting minutes**
 - x. **Young Environmental Consulting Group - For April 2020 technical services**

Manager Raby noted errors in to the Financial Report on page 2 YTD 2020. Administrator Loomis noted the errors and will make corrections. She will distribute the corrected report to the Board.

Manager Raby made a motion to approve the Consent Agenda with the correction to the May 2020 Financial Report. The motion was seconded by Manager Frey. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby, and Salvato; the following voted against: None.

5. NEW BUSINESS

A. 2019 Financial Audit presentation

Administrator Loomis introduced Andy Hering, from Redpath and Company. Mr. Hering shared a PowerPoint presentation. He reported Redpath and Company has issued four reports as part of the audit of the LMRWD finances: an opinion on the financial statements, a report on internal controls, a report on legal compliance and a governance letter to the Board of Managers. The first report is the auditor's opinion on the financial statement and whether the amounts and disclosures in the financial statements are fairly stated for the year. He explained some of the ways the auditors test the financial statements to determine the accuracy and validity of the statements. In the course of the audit, several tests are run and nothing unusual was noted. The auditor's opinion on the LMRWD's financial statements is a clean or unmodified opinion.

The next report is a report on internal controls. The auditor is not required to audit all policies and procedures, but will look for checks and balances in the procedures. The result noted one internal control finding. The District received a grant and recorded revenue of \$91,000, the entire amount of the grant. Only \$36,000 of the revenue was earned in 2019. Manager Raby asked about the grant. Administrator Loomis explained that this grant was from the Clean Water Fund for the Metro-area Watershed Based Funding. She explained that until the District spends the grant money it is unearned revenue. She explained that little of the grant money was spent last year. Mr. Hering explained this type of error is quite common and is more of an accounting error than it is evidence of anything else.

Mr. Hering noted there were no compliance findings as result of the auditor's testing for the District's compliance with statutes.

Mr. Hering said lastly, there is a communications letter from the auditor to those charged with governance. There is a disclosure related to COVID-19 that states management is not able to

determine the impacts, in any, from COVID-19 on the District's finances. He said one impact from COVID-19 that may affect the District may be reduced collections of taxes levied.

Mr. Hering said there were no difficulties with the audit. He noted the audit was done completely remotely, which was something new for them. It was a smooth audit.

Mr. Hering noted the 2019 budget indicated a decrease to the District's fund balance of \$259,255. The actual decrease was only \$33,382. This was due to expenditures coming in \$246,223 under budget. He noted that the District transferred \$80,000 from the general fund to the 9 foot Channel Fund, so that fund now has a positive balance as opposed to a negative balance.

Manager Raby asked about the 9 foot Channel fund balance. He thought the District was trying only to make up the deficit in the fund and now there is a surplus. Administrator Loomis said they didn't know what the deficit was going to be at the end of 2019 before the transfer was made, so the transfer from the general fund to the 9 foot Channel fund was made based on what was in the budget. Manager Raby asked if they need to transfer it back. Administrator Loomis suggested that the surplus be left in the Channel Fund, since it can be transferred back at any time in the future.

Attorney Kolb explained the motion would be to accept the 2019 financial audit report as presented subject to final review by the managers of the full written report.

President Hartmann made a motion to accept the 2019 Financial Audit report subject to final review by the Managers. The motion was seconded by Manager Raby. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

B. Scott County SWCD 2019 monitoring results

Administrator Loomis introduced Jon Utecht, Water Resource Specialist for the Scott County Soil and Water Conservation District.

Mr. Utecht shared his screen and provided the findings from the 2019 monitoring of water resources within the Lower Minnesota River Watershed District portion of Scott County. He showed a map of the sites monitored. He explained the monitoring can be broken up into three different groups: thermal monitoring, where continuous water temperature data are monitored in Eagle Creek and some tributaries; stream monitoring program which looks at water quality at the WOMP station on Eagle Creek and at the inlet to Dean Lake and includes chloride monitoring; and the final segment, well monitoring, which looks at ground water elevations in several observation wells in or near Savage fen.

Mr. Utecht began with thermal monitoring of Eagle Creek. He said the reason for monitoring temperatures in Eagle Creek is because it is a trout stream. He talked about the stresses on the fish due to high water temperatures. He talked about the temperatures and showed the times temperatures exceeded the limits needed to support trout. He noted thermal monitoring began in 2009 when it was noticed that rainfall events were flushing warm water into Eagle Creek. He pointed out the location of three temperature loggers and explained the logic behind the location placement of the loggers.

He noted the number of times temperatures exceeded the optimal range in 2019 (23 times) were fewer than in 2018 (52 times). He also noted the water temperatures tracked with atmospheric temperatures. He said this is likely because the rain water flushes water warmed by the air into the creek.

Mr. Utecht commented on the pond loggers. Water in the ponds heats up as the atmospheric temperatures heat up and contribute warm water to the creek.

Mr. Utecht reviewed the water quality stations; at the Eagle Creek WOMP station and the Dean Lake inlet. The WOMP station collects continuous data. In addition, grab samples are collected for comparison. On total 37 samples were collected. They collect regular grab samples as well as samples during peak flow events, such as after rain falls.

Mr. Utecht talked about the water quality standards and noted compared to 2018 data, nitrates, phosphorus and total suspended solids were all higher. Suspended sediment amounts were higher; up about 30% from last year. He noted the sediment levels in Eagle Creek are much lower when compared to other metropolitan stations. He said there is still an issue with E. coli. April 1 through October showed several spikes throughout the season. He is not sure what the source of the E. coli is. He noted there is a lot of wildlife in the area. He said it will be important to see if the trend in 2020 continues upward for all pollutants.

Mr. Utecht said chloride was sampled from November 2018 to May 2019. Chlorides can impact trout development and growth rate. The road density in the Eagle Creek watershed is greater than 18%, which is a high risk factor for chloride pollution. Highway 101 is a significant contributor of chloride to Eagle Creek. Overall Chloride levels in Eagle Creek are high.

He spoke about monitoring at the Dean Lake inlet. 16 bi-weekly samples and 4 event samples (after rainfalls) were taken. Flow monitoring and stage data are taken as well. They correlated levels of Dean Lake to the opening of the Prior Lake Outlet Channel and didn't see any patterns. Levels of nitrate, phosphorus and suspended solids were higher compared to 2018 data.

Mr. Utecht stated in looking at the water levels in the Savage Fen wells, the overall trend in 2019 was down, even though it was a wet year. The historical trend, over the last ten years, show water levels have increased. Eagle Creek wells show the same pattern. They were able to get a couple of measurements from the bluff wells before they were sealed. These are deep wells and showed rising water levels. The historical trend in the bluff wells also shows an upward trend.

Mr. Utecht said they will continue the well monitoring and report the results to the DNR. He noted monitoring was delayed due to COVID, but expects the monitoring regime will be similar to previous years.

Manager Salvato asked about the high level of TSS and wondered if it was related to discharge. Mr. Utecht said the stream bottom is very sandy and prone to sediment. He noted there is a lot of waterfowl in the area that can dig up the bottom and cause sediment to become suspended. She also asked about the upward trend in the wells. Mr. Utecht said that is a question for the city of Savage. He has heard that the city has reduced the amount of water it has been pumping from the municipal wells in the area.

Ms. Young asked about the increased chloride levels and if Mr. Utecht was able to correlate the increased levels to other activities, such as days that salt was being used or if it was snowing. She noted that the District should be concerned with fluctuating water levels in the fens and that the District should chase down activities that might be contributing to fluctuating water levels. Mr. Utecht noted the Chloride report does indicate activities that could be causes of the high levels. Ms. Young also said that the District should look at sourcing the E. coli in Eagle Creek to see if there is some way to mitigate it.

Manager Raby asked about Dean Lake monitoring. He asked if the District would be better served by monitoring elsewhere. Ms. Young said that Manager Raby may be correct. She noted that there is a long history of data from this site and sometimes there is value in keeping data collection going. She noted that maybe the District could consider reducing the frequency in collecting data; perhaps go to a three year cycle. Manager Salvato encouraged an extended conversation on reducing monitoring. She said she thinks you could lose a lot of information by changing from every year to every three years. Ms. Young said we need to evaluate the loss of integrity by changing the monitoring regime.

Manager Frey asked what the term water usage means. Mr. Utecht said that relates to the ground water and the amount of ground water that is taken. Administrator Loomis said one reason to continue monitoring Dean Lake is to evaluate the efficacy of the Prior Lake Outlet Channel (PLOC) remainder project. That project is upstream of the Dean Lake inlet that the LMRWD and the City of Shakopee are working on. The goals of the project are to improve the water quality entering Dean Lake and monitoring data might be critical to evaluate the project.

Administrator Loomis noted that the City of Savage has municipal wells in the Savage Fen and Eagle Creek watershed, that have been known to impact water levels. The City has other wells upland and it may be drawing more water from the upland wells and reduced the withdrawals from the wells near the Fen.

President Hartmann thanked Mr. Utecht for the presentation.

C. Future Board meetings and COVID -19

Administrator Loomis said Carver County has not decided a date when the building will be open to the public to resume face to face meetings. She noted it will be up to the Board if they want to resume in person meetings and if they do, they need to talk about finding a meeting space if the Government Center does not open.

Attorney Kolb talked about the most recent emergency executive orders from the Governor, which said public bodies may decide whether or not to resume in person meetings, and that they will need to have a preparedness plan. He noted the LMRWD board is unique because they do not have their own facility. He noted that even if the County opened its facility, there will likely have to be compliance with the County's Emergency preparedness plans and the District's should develop its own preparedness plan. He said that if the LMRWD Board decides to go back to in person meetings that until the pandemic has subsided the Board needs to give consideration to accommodating members of the public, members of the public body and staff of the public body that may have individual risk thresholds or concerns that would prevent them from wanting to or being able to safely attend in person meetings; even with a preparedness plan, with physical distancing and wearing masks. Even if the Board goes back to in person meetings there will still need to be a level of remote participation, so that the public is not denied participation in the open meeting process just because they have concerns about their personal safety. He suggested meeting in this format (remotely) until there is a facility available to use and there is more clarity.

The board agreed and decided to keep meeting remotely. President Hartmann said they can look at this month to month.

D. Braun 2020 Cost Share Application - 10312 Portland Avenue S., Bloomington

Administrator Loomis said this is a Cost Share application received from Dustin Braun. Mr. Braun recently completed the Master Water Steward program and needs to complete a capstone project in order to be certified as a Master Water Steward. This project is his capstone project.

The application proposes to collect storm water to use for irrigation on his property. He is asking for a cost share of \$2, 418.00.

Manager Raby said this is the most detailed and complete application that he has seen. He said he would be interested in seeing the videos mentioned in the application.

President Hartmann asked how many cost share applications they receive. Administrator Loomis she said this is the third one that has been received this year. She said the maximum number of applications they have received in any given year was six and not all were funded. Last year they received two. Manager Raby noted that they have never spent all that is in the budget since he has been on the Board.

Manager Salvato asked if any of the funding goes to the County. Administrator Loomis explained that the District will fund the cost of one Water Steward per year and the Cost Share funding will go entirely toward the project. She noted that Hennepin County provides technical assistance to the program.

Manager Raby made a motion to approve Braun 2020 Cost Share Application. The motion was seconded by Manager Salvato. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

E. Professional Services Requests for Proposals

Administrator Loomis said Minnesota Statutes require that every two years the District solicit interest proposals for legal, professional or technical consultant services before retaining services of an attorney or consultant or extending an annual services agreement. She noted that the District placed requests for proposal in the State Register May 4th and May 11th and on the District's website. Proposals for legal counsel, technical consultant and education & outreach coordinator were requested. The District received three proposals, one for each request. The Manager received the proposals electronically. All proposals came from the current service providers.

Manager Raby asked about the potential proposals. Administrator Loomis said she received inquiries about the request, but that none of the firms that she spoke with submitted proposals. She said the engineering firms she spoke with were looking to be in a pool of engineers. The inquiry for the education and outreach coordinator position did not identify themselves, but they did not submit a proposal.

The Managers discussed the proposal received for an education & outreach coordinator. Administrator Loomis said the one of the first goals will be to establish a Citizen Advisory Committee. Ms. Young explained her plans for meeting the District's education & outreach needs.

Attorney Kolb advised that since only one proposal was received for each request the Board could accept all proposals in the same motion.

Manager Raby made a motion to accept the three proposals as presented for each of the services. The motion was seconded by President Hartmann. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

6. OLD BUSINESS

A. Larson 2020 Cost Share Application - 1033 Sunny Ridge Drive, Carver

Administrator Loomis reminded the Board that his item was considered at the May Board meeting and was tabled. The Board requested additional information about the proposed plant material, which was provided.

Manager Raby questioned some of the details. He said in general it is the information they need but the totals are confusing. Administrator Loomis said the requested information show costs that exceed \$5,000. The maximum cost share allowed under the program is \$2,500 with a 50% match and she is requesting the maximum.

Ms. Salvato commented about the lack of detail regarding the benefits of the project. She noted that she needed to document improvements of the project on the Hennepin County application she submitted. Administrator Loomis pointed out that unless an applicant has received technical assistance, they don't necessarily know how to do that. Manager Raby said that historically the District has not required that information, for the reason that homeowner don't have that expertise.

President Hartmann made a motion to approve the Larson 2020 Cost Share Application – 1033 Sunny Ridge Drive, Carver. The motion was seconded by Manager Salvato. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

B. City of Carver Levee

No new information to report since last update.

C. Remote meeting participation

No new information to report since last update.

D. Dredge Management

i. Vernon Avenue Dredge Material Management site

Administrator Loomis said there was not any information to share other than what was in the Executive Summary. President Hartmann asked if construction will be able to start this fall with the weather patterns. Ms. Young said they are still planning to start this fall. Discussions with the contractor will start in August.

ii. Private Dredge Material Placement

No new information to report since last update.

E. Watershed Management Plan

Administrator Loomis said that the City of Shakopee was notified that all projects must come to the District for a permit. There was some confusion regarding the LMRWD rules and enforcement of the rules.

F. 2020 Legislative Action

Ms. Frenette provided an update. She said nothing is going on right now. She will continue to press for having the language desired by the LMRWD inserted any time there is a bill introduced.

G. Education and Outreach Plan

No information to report since last update.

H. LMRWD Projects

(only projects that require Board action will appear on the agenda. Informational updates will appear on the Administrator Report)

I. Project/Plan Reviews

(only projects that require Board action will appear on the agenda. Informational updates will appear on the Administrator Report)

i. Prairie Heights, Eden Prairie

Administrator Loomis said this is a residential development. The technical review was included. The project crosses the boundaries of the Lower Minnesota River Watershed District and Riley Purgatory Bluff Creek Watershed District. Staff is recommending approval of the project with the conditions that it is approved by RPBCWD and if any changes are requested by RPBCWD for approval that the LMRWD be notified of those changes. She noted the project is not in the steep slope overlay or a High Value Resource Area.

Manager Raby made a motion to approve the Prairie Heights permit. The motion was seconded by President Hartmann. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

ii. 565 Lakota Lane, Chanhassen, variance request

Administrator Loomis said this item does not need to be discussed. This is a variance from a city ordinance. The LMRWD wanted to make sure the septic tanks were not located in the steep slope overlay zone.

iii. Structures, Inc., Chaska

President Hartmann asked for a reminder about this project. Administrator Loomis said that it was a commercial project in the City of Chaska. The project proposed construction of a new building on a site that already had a stormwater pond, which was 17 years old. The soils on the site do not allow for infiltration and could not meet the LMRWD requirements for rate control. In addition, the stormwater pond has not had any maintenance in 17 years. The District spoke with engineers for the project and asked for additional BMPs to be considered and a maintenance agreement for BMPs. After speaking with the engineers for the project, the City informed the District that the project was not moving forward.

J. MPCA Soil Reference Values - no change since last update

7. COMMUNICATIONS

A. Administrator Report: Administrator Loomis noted that the Administrator report was posted on the website. She provided a schedule for receipt of 1st half tax settlements from the Counties.

She reported on the Watershed Based Funding meeting for the Minnesota River North.

Administrator Loomis reported that staff met on site at the TH101 project in Chanhassen. The City of Chanhassen has retained Carver County SWCD to inspect the project and staff asked that the LMRWD be copied on inspection reports.

Administrator Loomis reminded the Board about the salt symposium in August. There is a special rate if you register by the end of June and that registration is per device so more than one person can participate. The event will be held virtually. Manager Salvato asked who the target audience is. Administrator Loomis said the meeting is targeted to anyone interested in Chloride pollution. She noted that previous Salt Symposiums focused on road salt, but this one will address other sources of Chloride such as waste water and water softeners.

- B. **Managers:** No report
- C. **Committees:** No report
- D. **Legal Counsel:** No report
- E. **Engineer:** No report

8. ADJOURN

President Hartmann adjourned the meeting at 8:56pm. Manager Raby seconded the motion. Upon a vote being taken the following voted in favor of the motion: Frey, Hartmann, Raby and Salvato; the following voted against: None.

The next meeting of the LMRWD Board of Managers will be 7:00, Wednesday, June 17, 2020 and will be held at the Carver County Government Center, 602 East 4th Street, Chaska, MN. Electronic access will also be available.

Dave Raby, Secretary

Attest:

Linda Loomis, Administrator