



LOWER
MINNESOTA RIVER
WATERSHED DISTRICT

MONTHLY MEETING MINUTES
March 19, 2013, 7:00 p.m.
City Council Chambers, Chaska, Minnesota

1. **CALL TO ORDER**
President Francis called the regular meeting of the Board of Managers of the Lower Minnesota River Watershed District to order at 7:00 p.m. on Tuesday, March 19, 2013 in the Council Chambers at Chaska City Hall, Chaska, Minnesota.
2. **ROLL CALL**
 - a. Managers present: Kent Francis, Yvonne Shirk, Carla Shutrop Len Kremer
 - b. Managers absent: None
 - c. Also present: Terry Schwalbe, Administrator; Shawn Tracy, HDR
3. **APPROVAL OF MEETING AGENDA**
 - a. President Francis added under Old Business, item 11.b., Goals and Objectives for Staff
 - b. It was moved and seconded to approve the Meeting Agenda with the change. Vote: Ayes 4, Nays 0; motion carried.
4. **OPEN FORUM**
5. **CONSENT AGENDA**
None
6. **TREASURER'S REPORT AND PAYMENT OF BILLS**
7. **PRESENTATIONS**
None
8. **PRESENTATIONS FOR BOARD ACTION**
None
9. **NEW BUSINESS**
None

10. OLD BUSINESS

a. \$4,000,000 Dredge Site Bonding Bill

The managers reviewed the legislative update memo from Ron Harnack, the District lobbyist for the project, dated 15 March, 2013. The Memo is attached below, dated March 15, 2013

Legislative Update to LMRWD Memo

Terry and I have met with most of the legislative members having part of their legislative district in the WD. There was good reception from the legislators and I believe that they have a good understand the issues and concerns of the LMRWD after our meeting. However, some did not even know that the Minnesota River was used for commercial barge traffic. A summer tour of sorts for legislators may be worth consideration. The HS bonding bill has been introduced in the House HF 1569 (Beard, Masin, Atkins, Morgan, Rosenthal & Erhardt) and has been referred to the HS Committee on Transportation Finance. The SN bonding bill is not yet introduced but will be this coming week. Early in the Session there was a lot of talk about not having a bonding bill this year. However, that has changed and it seems a bonding bill is inevitable assuming there are enough votes to pass one. We can talk a bit more about that on a conference call Monday. I believe that Terry is trying to set something up for about 10 am Monday.

A few things that Terry and I discussed that would really help as the bills move through the committees:

1. Letters of support for the funding from the Cities and Counties.
2. Letters of support from the companies that use the river for commerce.
3. Have communication with the landowner off Post Road where you are looking to purchase in fee or easement. If an easement it must be for 20 years, the repayment period for the bonds.
4. Is the land still available for purchase? How much would the land appraise for? What does the site look like? Upland? Wetland? Both? Will use of the site impact the State Park? Need answers for those questions.
5. The LMRWD and the COE really need to talk with the folks from St. Paul as there may be some citizen and community concerns related to use of this site for dredge disposal.
6. Have a COE representative available to answer questions with respect to disposal locations; the COE/LMRWD obligations & responsibilities, etc.
7. Is it clear, very clear that the COE has the responsibility for permitting at a new disposal site and not dual permitting from the state and COE to both the COE and LMRWD? That's another question to likely come up during legislative discussions.
8. How much of the \$4M would be land acquisition? How much for site preparation? How much bondable rehab/optimization of the existing site? How much might be used for capital equipment for reuse of dredge material. Should have an estimated cost allocation for the elements.
9. Assuming the bond funds are appropriated for the purposes requested, how will the ongoing O & M be paid for? Ad valorem? Special assessment? Terry and I got

those questions and I expect we will again. The report does not say; it only lays out the options.

A couple legislators were very clear about their perspective. Those directly benefitting should pay NOT the residential properties. What do home owners pay now for O & M? How much to the users pay? How much would the users pay under a special assessment for O & M? For the total cost including acquisition of a new site etc?

The report does not seem to hit all these questions very clearly. So we need to be prepared to answer those questions. The bills will go through at least two committees each. First, the HS & SN Transportation Finance Committees and then the HS & SN Capital Investment Committees where the decisions will be made to include; not include or modify the request based on need and urgency of need.

That's a quick update. Terry can certainly help clarify and add to report.

Ron Harnack
651-341-7651

Shawn Tracy of HDR was present and the managers requested he join in the discussion. The managers then discussed the memo.

After discussion it was moved and seconded to have HDR prepare a presentation for the board of managers to present to the Minnesota State Legislature. The goal of the presentation is to alert the Legislature that the increased dredging and associated costs are a result of issues outside the boundaries and thus the control of the District. This presentation will include the following: a map showing the district boundaries, the areas in the Lower and Middle Minnesota River Watersheds showing where the areas of concern are. It will also include, but not be limited to, showing areas of excessive runoff, erosion, and sediment load to the LRMWD. It will depict the loading from these areas and the increased runoff due to changing practices in tiling, storm water discharges and other contributing factors resulting in the increased sediment loading of the river. The cost of the project shall not exceed \$6,000.00 without board approval. HDR shall give an estimated cost for completion of the project when they have incurred \$4,000.00 in project costs. Vote: Ayes 4, Nays 0; motion carried.

The Board the directed Administrator Schwalbe to contact the user's of the channel who directly benefit from the channel of the proposed legislation and the possibility of them having a special assessment levied against their property as part of this legislation. Schwalbe stated he would be attending the monthly meeting of UMWA (of which the user's are members of) on Thursday March 4, 2013. He will give a presentation on legislation and the potential for the special assessment possibility and distribute copies of the District's letter to the Legislature's dated January 28, 2013.

b. Goals and Objectives for Staff

This item was moved to the April 19, 2013 agenda.

11. ADMINISTRATOR REPORT

- a. Seminary Fen Grant updates
Nothing new to report

- b. Minnesota River Board Update

The MRB Steering Committee is working reorganization of the Board based on information gathered at the External Review meetings.

- c. Carver County Accounting Services

Schwalbe stated that the bills on the list of bills had been paid by the Carver County Board. Manager Kremer stated they were not authorized to make payment. manager Shirk stated that the board agreed that all regular bills would be paid by Carver County and that all Project bills would first have to be approved by the District Board prior to approval by Carver County. Manager Kremer questioned the bills submitted by HDR dated January 27 and February 23, 2013. Schwalbe stated he would check with HDR and have them explain those bills.

12. UPCOMING MEETINGS/TOURS/EVENTS

Administrator Schwalbe said he would be attending the UMWA meeting on Thursday, March 21, 2013.

13. ADJOURNMENT

- . It was moved and seconded to adjourn at 9:32 p.m. Vote: Ayes 4, Nays 0; motion carried.