

**MINUTES OF THE SPECIAL MEETING  
OF THE  
BOARD OF MANAGERS  
OF THE  
NINE MILE CREEK WATERSHED DISTRICT**

**WEDNESDAY, AUGUST 3, 2016**

**Call to Order**

Chair Kloiber called the special meeting of the Board of Managers of the Nine Mile Creek Watershed District to order at 5:30 p.m., Wednesday, August 3, 2016, at the Nine Mile Creek Watershed District Office, 12800 Gerard Drive, Eden Prairie, MN 55346.

Managers Present: Twele, Lynch, Kloiber, Segreto and Peterson

Managers Absent: None.

Advisors Present: Louis Smith, Janna Kieffer, Erica Sneigowski, and Gael Zembal

**2017 Budget Workshop**

Acting Administrator Sneigowski stated that as drafted there is a 13 percent increase in total budget and 6.5 percent increase in the levy, noting that the difference in increase between the budget and levy results in using money from reserves. She stated that some of the changes reflect the actual amounts the District has been spending each year compared to the amount that had been budgeted in the past for the items. She explained that she pulled funds from the reserves for one time uses rather than ongoing use.

Manager Peterson asked for details on the amount budgeted for the Water Management Plan.

Acting Administrator Sneigowski provided additional details on how she listed the different aspects for that item as well as how much the District has spent and will spend in the next year.

Engineer Kieffer stated that the bulk of the expense for the Water Management Plan will have occurred in 2016 and estimated that 50 percent of the process is complete as this time noting that the continued efforts in 2017 will deal more with responding to comments and revisions.

Chair Kloiber stated that typically the District has been hovering around 1.5 to two percent in the levy increase and noted that this would be a larger increase.

Acting Administrator Sneigowski provided a comparison from past years, noting that the District has a variable rate and has not remained consistent ranging from no increase, to a one to two percent increase, to a seven percent increase.

Chair Kloiber stated that it would be nice to see the balance of the reserve fund.

Acting Chair Sneigowski replied that the reserve fund has a balance of about \$3,000,000 and the project reserve has a balance of \$4,300,000. She explained that the Edina Streambank project will have a balance of about \$4,000,000 which will come from that project reserve fund. She stated that the intent for that project reserve fund is to be able to finance projects when necessary.

Chair Kloiber commented that the use of the reserve funds is very minor then for this proposed budget and therefore will not have much of an impact on the balance of that account.

Acting Chair Sneigowski reviewed the proposed budget and highlighted changes to specific line items.

Chair Kloiber noted that there are two items listed under Discovery Point that perhaps would be better suited under the administrative category of operations and maintenance.

Acting Chair Sneigowski agreed that would make sense and she would adjust the location of those items to an operating expense. She continued to highlight proposed changes to the budget line items.

Engineer Kieffer provided additional information on a budget line item regarding Atlas 14 that could be used as an opportunity to help provide assistance in flooding issues and changes because of the Atlas 14 figures and modeling.

Acting Chair Sneigowski provided additional details and an update on the Edina Streambank project. She provided an estimated levy impact, noting that it is not an exact number but should be within a dollar or two. She provided additional details on the line item which delegates the permit review duties to Barr Engineering. It was noted that the Board would still receive permit presentations this would simply pass the engineering review to Barr Engineering to provide recommendations. It was noted that several other metro watersheds have a permit reviewer and this delegation would allow watershed staff to focus on other duties. It was noted that the alternative would be to hire a staff person solely for the intent of reviewing permits and that the benefit of working with Barr Engineering is that you receive expertise from multiple experts working for the firm.

Chair Kloiber agreed that hiring a staff person solely for the purpose of engineering would not be a good use of the one staff person that the District is able to hire and believed that staffing position could be better suited to the District's needs.

Acting Chair Sneigowski noted that the staff person needed for permit review would not necessarily need to be an engineer but noted that when the permit review duties are pulled in-

house there are multiple staff people needed as you would also need a permit inspector. She stated that this would be a good time to transition to Barr Engineering handling the permitting duties as they are currently providing that service during this interim time after Administrator Bigalke resigned. She continued to review the proposed line items highlighting proposed changes, noting that although some items reflect an increase or decrease from the previous year it was actually adjusted to match the actual spending of the District in the past years in order to better plan for the actual costs. It was determined that the lake and stream monitoring categories would be combined. It was determined that some items would be moved from the monitoring portion of the engineering item to another better suited category.

Acting Chair Sneigowski confirmed that she would follow up with Smith Partners to ensure that their estimate for legal services and the budgeted line item would be sufficient for the legal work that could be needed for the Edina Streambank project. She continued to review the budget line items highlighting proposed increases and decreases and items that were combined together.

Chair Kloiber noted that the process for updating the 10-year plan will allow the District to discuss big picture for the future which will assist in prioritizing identifying the needs for the future.

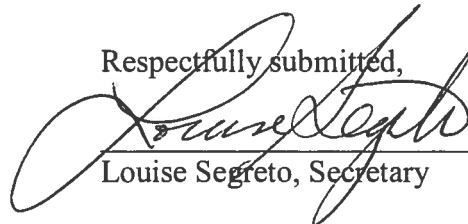
There was discussion as to whether ongoing maintenance for certain capital projects should be split off from the actual capital project and instead listed as maintenance and repair.

Acting Administrator Sneigowski provided a brief description of the work that is planned for the District plan for the restoration of the Discovery Point site and the related budget line item, noting that this would be a three-year intensive restoration plan. She noted that a presentation for the restoration plan will be provided to the Board at a regular Board meeting and advised that the restoration work is part of the agreement related to the conservation easement. She advised that these funds had been budgeted in the past and not spent and therefore are available in the reserves. She stated that notice for the budget hearing would need to be published the following week. She stated that she will make the adjustments discussed by the Board and the proposed budget will reflect a levy increase of 3.72 percent levy increase for a total budget of \$2,611,500.

### **Adjournment**

It was moved by Manager Segreto, seconded by Manager Peterson, to adjourn the meeting at 7:37 p.m. Upon a vote, the motion carried.

Respectfully submitted,



Louise Segreto, Secretary

ATTACHMENTS:  
Treasurer's Report

