

**MINUTES OF THE PUBLIC HEARING AND WORKSHOP
OF THE
BOARD OF MANAGERS
OF THE
NINE MILE CREEK WATERSHED DISTRICT**

THURSDAY, AUGUST 4, 2022

I. Call to Order of the Workshop

President Bob Cutshall called the Nine Mile Creek Watershed District workshop to order at 5:30 p.m.. The meeting was held at the NMCWD office, Discovery Point, 12800 Gerard Drive, Eden Prairie, MN.

Managers Present: Grace Butler, Bob Cutshall, Erin Hunker, Peggy Kvam, and Larry Olson

Advisors Present: Janna Kieffer (Barr Engineering Company) and Michael Welch (Smith Partners)

Staff Present: Randy Anhorn, Brett Eidem, and Gael Zembal

II. Public Hearing – South Fork Nine Mile Creek Bank Stabilization Project Environmental Assessment Worksheet

a. Draft EAW

Administrator Randy Anhorn noted that the board authorized the release of the environmental assessment worksheet for the stabilization of the south fork of Nine Mile Creek in June, and the board authorized staff to release the EAW for comment. He said staff also sent the EAW to the state Environmental Quality Board and published the public hearing notice in the District's official publications. Mr. Anhorn said this public hearing is another opportunity for the public to provide comment.

Mr. Anhorn said the District received 11 comments from seven different entities. He said the comments are in the meeting packet and staff is preparing responses. Mr. Anhorn said staff will present the finding of fact at the board's August 17 meeting. He said will also hold a public hearing on ordering the project

at the regular August meeting. He said Emmons & Olivier Resources, the project engineer, will present its feasibility report and the board will take comments from the public. Mr. Anhorn said at September 1 workshop the board will consider ordering the project.

Manager Grace Butler said she doesn't know exactly which reaches of the creek are involved in this project. Mr. Anhorn explained the project includes the stretch south of Highway 62 to Bryant Lake, and the stretch between West 78th Street and Interstate 494. He said more detailed information will be presented at the August 17 meeting.

b. Comments Received During the 30-Day Public Comment Period

President Cutshall called for comments. No members of the public were in attendance to offer comment.

It was moved by Manager Butler, seconded by Manager Olson to close the public hearing. On a vote, the motion was approved 5-0.

III. 5-Year Look Back/Forward into the District's 10-Year Water Management Plan

Mr. Anhorn said Engineer Janna Kieffer led the year and a half-long process of developing NMCWD's present watershed management plan, ending with the board's adoption of the plan in fall 2017. He said Ms. Kieffer would present a summary of plan development and staff would then present a summary of plan accomplishments over the first five years and remaining items in the plan to be undertaken over the next five years. Mr. Anhorn noted the board will likely also discuss progress toward goals at its upcoming retreat.

(The board took an eight-minute recess.)

Engineer Kieffer summarized the background and the process conducted in 2016-2017 to develop the District's watershed plan. Mr. Anhorn noted that the next 10-year plan is due in fall 2027, and to have a thorough process, the board and staff may start as early as fall 2025. Managers and staff discussed beginning in 2024 to identify the direction the District wants to go.

Michael Welch commented that at the board retreat, the managers and staff could discuss what the District will do in the next five years that will guide the next plan.

President Cutshall noted that about 80% of the implementation items in the last plan were identified as high priority, and prioritization will be critical in developing the next plan.

Education and Outreach Coordinator Gael Zembal presented on the District's education and outreach work, noting that effective education and outreach supports all other aspects of NMCWD's work and the goals in the plan.

In response to a question from President Cutshall, Ms. Zembal discussed the education and outreach workload, noting that communications and volunteer coordination fall under her purview. She said that Program and Project Manager Erica Sniegowski continues to work on education, and Mr. Anhorn said the interns and other help as well. Ms. Zembal said the goal is to have everyone in the organization think about education.

Mr. Anhorn reviewed the District's cost-share grant, inspection, and regulatory programs.

Manager Hunker asked if the board decided to take some water-quality studies out of the plan, would the plan need to be amended. Mr. Anhorn said he doesn't think such work should be removed. Mr. Welch said the downside of not removing work is that the district's performance is gauged on how well it does the work identified in the plan.

President Cutshall noted the difficulty of implementing projects benefitting shallow lakes, particularly where there is no public land around the lake.

Regarding the amount of work to be completed under the remaining five years of the current plan, Manager Butler said the plan is too aggressive and some of the projects should be pushed out. She said she also thinks human resources responsibilities should be moved from staff to a third party. Mr. Anhorn said the Minnesota Association of Watershed Districts could be helpful with staffing.

Ms. Zembal mentioned that diversity, equity and inclusion considerations should inform all of NMCWD's work.

IV. Lake Nancy and Lake Otto Phosphorous-Loading Analysis

Ms. Kieffer showed the location of Lake Nancy and Lake Otto, just north of Highway 62, and indicated that the lakes are tributary to Lake Cornelia. She said NMCWD's monitoring and modeling the lakes has revealed that internal loading is a significant source of phosphorous in Lake Nancy, but is not a significant source of phosphorous for Lake Otto. She said model results indicate

that internal loading was about 54% of the source load to Lake Nancy in 2021 and about 17% in 2017. Ms. Kieffer said sediment laboratory analysis shows organic-bound phosphorous concentrations in the sediment are much higher than iron-bound concentrations. Ms. Kieffer explained this information supports a recommendation to consider an alum and iron treatment in Lake Nancy, with aeration, if feasible, to prevent low oxygen levels in the lake and release of phosphorus from the sediment.

V. Draft Budget and Proposed Levy

a. Draft Budget

Mr. Anhorn said the memo on this item is in the meeting packet. He said the budget is broken down into administration, programs, and projects.

Mr. Anhorn said the 2022 budget for administration was \$1,039,500 and the proposed 2023 budget is \$1,104,500.

Mr. Anhorn said the District's 2022 program budget was \$1,590,500 and the proposed 2023 program budget is \$1,795,500. He said the 2022 capital projects budget was \$1,480,000 and the proposed 2023 budget is \$1,690,000. Mr. Anhorn said the proposed 2023 budget amount is \$4,590,000, which is an 11% increase over the 2022 budget of \$4,110,000.

Mr. Anhorn reminded the board that for the last two years the District's levy has been flat at \$2,600,000. He recommended increasing the levy to \$2,800,000 for 2023.

President Cutshall commented that with the District's budget and expenses at \$2,900,000, the levy doesn't cover the District's costs. He said the District is funding all of its capital projects out of reserves. President Cutshall said he is concerned about a future scenario in which the District wants to do projects costing more than \$1,000,000 and it has spent down its reserves. He said funding such capital projects would require a 40% or so increase in the levy.

Mr. Anhorn went through the District's fund balance, grants, project costs, and staff's concerns about the increasing costs of projects.

Manager Butler stated she is in favor of the levy amount at \$2,700,000. President Cutshall said he is in favor of \$2,800,000. Manager Hunker agreed with the administrator's recommendation to levy \$2.8 million. The board agreed by consensus to a proposed 2023 levy of \$2,800,000.

In response to a question from President Cutshall, Mr. Welch said regarding the Minnesota Supreme Court ruling in *Circle Pines vs. Anoka County* shifts

power to watershed cities in the manager-appointment process. Managers seeking reappoint need to get on a city recommendation list.

Manager Butler reported the salt symposium was very useful and an idea she heard is the District should think about lining snow storage locations.

VI. Adjournment

It was moved by Manager Hunker, seconded by Manager Olson to adjourn the meeting at 7:45 p.m. On a roll call vote, the motion was approved 5-0.

Respectfully Submitted,



Grace Butler, Secretary

