

Steering Committee Meeting Minutes

BCWMC Second Generation Plan

August 27, 2002

Attendance: Lee Gustafson (chair), Ron Quanbeck, John O'Toole (via phone), Mike Rardin, Fred Moore, Karen Chandler, and Commission staff Len Kremer, Charlie LeFevere, and Pat Schutrop
Absent: Mike Welch and Bill Deblon

Agenda

- Steering Committee 7/10/02 Meeting Minutes
- Results of Capital Improvements Program discussions with member cities' engineering staff
- Funding options

Steering Committee 7/10/02 Meeting Minutes

No comments.

Results of Capital Improvements Program Discussions with Member Cities' Engineering Staff

The Commission's engineer met individually with the cities of Golden Valley, New Hope, Plymouth, Crystal, St. Louis Park, and Robbinsdale engineering staff to discuss the Commission's draft Capital Improvements Program and compare it with their local plans. The concept of a 7 or 10-year water quality CIP plan with future projects listed with no associated costs was also presented to the cities. Minneapolis, Medicine Lake, and Minnetonka did not think it was necessary to meet at this time. The draft CIP presented at today's meeting reflects results of those meetings. The current CIP remains a 30-year CIP.

Mr. Moore asked if there is an objection in the State rules to removing the funding amounts and the time frame projected for construction and have the Commission review the CIP annually to determine if the projects should take place? Mr. LeFevere added that the Minnesota Board of Water and Soil Resources' 8410 rules states that each WMO plan must include a "Capital Improvements Program." According to Minnesota Statutes 103B, Capital Improvements Program" means an itemized program for at least a five year prospective period, and any amendments to it, subject to at least biennial review, setting forth the schedule, timing, and details of specific contemplated capital improvements by year, together with their estimated cost, the need for each improvement, financial sources, and the financial effect that the improvements will have on the local government unit or watershed management organization."

Mr. Rardin then asked if a line could be drawn by projects the Commission agrees should be done and move the remaining projects to the future. If a project is necessary, then the Commission needs to not allow affordability to stand in the way of getting the project done. An example is if something needs to be done to improve the water quality in a portion of the watershed in order to keep its water quality category applicable.

Mr. Moore said that adoption of the TMDL requirements might force what is required to be done by the cities and the Commission.

Mr. Kremer added that one of Golden Valley's recommendations was to re-evaluate the water quality goals for Bassett Creek Park pond. Mr. Gustafson suggested a solution could be to extend the CIP to include controversial improvements as future projects.

The committee looked at the benefits of a 10-year CIP that could possibly capture improvements in most of the communities. After additional discussion, the committee agreed to revise the CIP into three parts: 1-5 year, 6-10 year, and future potential (10+ years) projects. The future projects can be included alphabetically in the Plan appendices with no additional detail. The first 5 years would consist of projects that obviously need to be done. Mr. LeFevere talked with Mr. Haertel, BWSR, and he suggested the Second Generation Plan include a statement that says, "A change in prioritization of these projects from one year to another will be regarded as minor plan amendments."

Ms. Chandler reminded the committee that one of the purposes of the CIP is to determine how improvements are going to be funded and to give future direction to the Commission. Mr. LeFevere added that taxing authority could change the entire CIP and funding for the projects. It is also important to communicate the change from flood control to the idea that the Commission is planning for capital water quality improvements projects. With that in mind, the Commission may want to begin by giving higher priority to one of the less controversial projects in order to start the process.

Ms. Chandler went through the revised draft CIP table with the committee. A number of footnotes were included on the table communicating comments made by the member cities.

Medicine Lake

- A footnote was added that New Hope commented that they might want to participate on ML-5 (constructing wet detention ponds for subwatersheds BC98, BC98A, and BC98B (alt. 10A) because of some work New Hope is planning.
- The two alum treatment projects were moved into future projects and will be re-evaluated after impacts of previous projects have been examined.
- Projects ML-1 through ML-5 are scheduled in the first five years for a total cost of approximately \$600,000. No projects are identified in the 6-10 year schedule.

Mr. O'Toole asked if the back of the envelope calculations for the rerouting of the Plymouth Creek water have been done. He also wondered if other cities have discussed this concept to possibly reduce phosphorus loads. Mr. Kremer said the diversion of Plymouth Creek from where it comes into Medicine Lake to around Medicine Lake was discussed when Barr prepared the Medicine Lake study.

Parkers Lake

- The Steering Committee agreed with the City of Plymouth comments concerning current information revealing improved water quality in Parkers Lake since the Commission's lake study was prepared and that the proposed CIP improvements for Parkers Lake will be considered future projects as long as the water quality in Parkers Lake continues to show improvement.

Wirth Lake

- Minneapolis asked the Commission to consider including repair of the existing structure along with the dredging.

Sweeney Lake

- No comments associated with any project proposed on Sweeney Lake.

Twin Lake

- The City of Golden Valley noted that the pond expansion proposed is not included in their local CIP. Twin Lake has very high water quality and one of the recommendations made by the Technical Advisory Committee to the Commission was to remove some of the phosphorus tributary to Twin Lake in order to sustain the high water quality. Mr. O'Toole asked if this project would move to the future projects? Mr. Gustafson added that this project would be a good candidate for the 6-10 year project list allowing Golden Valley to re-evaluate since their CIP is for 5 years.

Westwood Lake

- St. Louis Park agreed with the timeline for construction of the detention/skimming facility; however, they are interested in a scaled down structure. The idea for constructing the detention/skimming facility is to lower the total phosphorus to the lake from 42 to 33. The Commission's current water quality goal for total phosphorus is 45. St. Louis Park is interested in re-evaluating the Commission's water quality goal for total phosphorus proposed for Westwood Lake.

Bassett Creek Park Pond

- The city of Golden Valley requests that the Commission re-evaluate the water quality level prior to doing improvements. Golden Valley is not likely to support this project. Mr. O'Toole asked if the remedy or the dollars was driving the request by Golden Valley. Mr. Gustafson said these are the types of questions needing answers for projects proposed in the first 10 years.

Mr. Moore asked that two columns be added to the CIP to list existing and proposed water quality goals for the lakes.

Northwood Lake

- The city of New Hope has done some of the proposed improvements and those projects are footnoted on the table; however, the construction may not have been done to the extent proposed by the Commission. The projects done by New Hope will need to be re-evaluated prior to the Commission moving ahead on any of the improvements proposed. The estimates on this CIP table have not been recalculated taking into account New Hope's improvements.
- Improvement NL-4 proposes construction of four ponds. New Hope constructed two of the ponds and is proposing to construct two more in the near future, as well as possibly constructing an additional pond after the completed expansion of a nearby church.

Bassett Creek Main Stem

- The city of Golden Valley will be performing some work as part of their Boone Avenue/Brookview Golf Course improvement in 2004 and will be constructing one of the ponds proposed by the Commission.
- Improvements BC-2, BC-4 through BC-8 are not listed in Golden Valley's CIP.
- Golden Valley has added a streambank erosion control project to their local CIP.
- Golden Valley added the Wirth Lake project to their local CIP (BC-1 and BC-3).

Grimes, North, & South Rice Ponds

- The city of Robbinsdale has a street reconstruction project in the near future where they will construct the wet detention pond for Grimes Pond.
- The alum treatment for the North and South Rice Ponds may have been done, although not confirmed.

Crane Lake

- The city of Minnetonka would like to see the proposed improvements for Crane Lake moved to the 6-10 year schedule.

Turtle Lake

- Improvements are proposed, but unlikely to take place without additional evaluation.

Lost Lake

- Improvements are proposed, but unlikely to take place without additional evaluation.

Mr. O'Toole said it makes sense to include projects done prior to the Second Generation Plan process in the appendices with a notation that monitoring of the water quality will continue to measure the effectiveness of improvements made. It might be a good idea to include projects completed during the last year or so on the CIP in order to receive credit in the years ahead. Mr. Kremer asked about the five ponds proposed for Northwood Lake where the city built four of them. Does that mean the remaining pond will be moved to the 6-10 year schedule or the 1-5 year and footnoted that the costs are unknown at this time? Mr. Moore said a footnote can be added that states a portion of the proposed improvements have been done and the water quality will continue to be evaluated to see if the fifth pond is necessary.

Footnote 19 relates to other projects that the cities may implement and will be evaluated at the time the projects become more definite (i.e., storm sewer outlets). Mr. Quanbeck said there are non-capital projects that need to be addressed by the Commission. The city of Plymouth is working on non-capital projects such as aquatic plant management in Medicine Lake. Are these part of the capital improvements program and should the funding sources be identified for these types of projects?

Mr. Moore said comments he heard while serving on the Medicine Lake citizen subcommittee were that the Commission was only concerned with capital projects and the Medicine Lake subcommittee thought that non-capital projects should be tried prior to spending the funds on capital projects except where necessary. Non-capital projects like shoreline restoration may be a nonstructural alternative that the Commission would decide to participate in doing. Ms. Chandler said maybe the CIP should include all the nonstructural items from the local individual plans. Mr. Rardin thinks nonstructural items can be on a separate table, but the CIP should include only capital projects. To place non-capital projects in the 1-5 year schedule would need Commission discussion. Mr. LeFevere said the plan is required to look at nonstructural projects, but the CIP, by definition, is the construction of projects.

The request was to incorporate Plymouth's plans for Medicine Lake and Parkers Lake in the Commission's draft CIP and those two plans include recommended non-capital improvements to be tried prior to capital improvements being constructed. Mr. Gustafson said because the city of Plymouth requested that these two plans be incorporated in the Commission's CIP, the Plan needs to address their recommendations. Mr. Quanbeck suggested that discussions concerning funding of non-capital BMPs can be an implementation item on the CIP for discussion in 2004.

The Commission needs to decide what are projects and what are not. Mr. Rardin said if they are not improving the water quality, what value would it be to look at them? Mr. Quanbeck added that non-capital projects need to be built into the CIP in some fashion. Mr. Kremer said that non-capital projects can be included in the Commission's CIP, but implementation will be determined by the cities and the Commission.

The committee proceeded with assigning projects to a 1-5 and 6-10 year, and future projects CIP. The education component will be removed from each lake's list of recommended improvements with the assumption that the Commission will consider the education costs associated with projects during the annual planning process.

Map ID #	1-5 Years	6-10 Years	Future Projects
Medicine Lake			
ML-1	Already constructed		
ML-2 (nonstructural)	X		
ML-3		X	
ML-4	X (Plymouth started construction process)		
ML-5	X (Plymouth started construction process)		
ML-6		X	
ML-7 (nonstructural)	In process		
ML-8			X
ML-9	Remove		
O&M Costs for Alum Treatment Plant			X
Parkers Lake			
PL-1			X
PL-2			X
PL-3			X
PL-4			X
O&M Costs for Alum Treatment Plant			X
Education Program	Remove		
Wirth Lake			
WTH-1	X		
WTH-2	X		
WTH-3	X		
Education Program	Remove		
Sweeney Lake			
SL-1			X
SL-2			X
O&M Costs for Alum Treatment Plant			X
Education Program	Remove		
Twin Lake			
TW-1		X	
Education Program	Remove		
Westwood Lake			
WST-1	X		
Education Program	Remove		
Bassett Creek Park Pond			
BCP-1			X
Education Program	Remove		
Northwood Lake			
NL-1		X	
NL-2		X	
NL-3		X	
NL-4	X		

Map ID #	1-5 Years	6-10 Years	Future Projects
NL-5			X
NL-6			X
O&M Costs for Alum Treatment Plant Education Program	Remove		X
Bassett Creek Main Stem			
Channel Erosion Inventory (nonstructural)	X		
BC-1	X		
BC-2			X
BC-3			X
BC-4			X
BC-5			X
BC-6			X
BC-7			X
BC-8			X
Education Program	Remove		
Grimes, North & South Rice Ponds			
GR-1 (nonstructural)			
GR-2	X		
GR-3			X
Education Program	Remove		
Crane Lake			
CL-1		X	
CL-2		X	
Education Program	Remove		
Turtle Lake			
TU-1			X
TU-2			X
Education Program	Remove		
Lost Lake			
LL-1			X
Education Program	Remove		

The revised CIP will include the adjusted dollar amounts for projects already completed by the various cities. It is also noted that when the draft CIP is revised, some projects may move within the 1-5 or 6-10 year time frame depending on the total costs for any given year. The committee agrees the CIP needs to include a portion listing nonstructural projects. Mr. Gustafson asked if a nonstructural CIP should be included in the plan? Mr. LeFevere is concerned that it may be confusing to have nonstructural and capital projects listed together on the CIP. Both categories can be on the same page; however, separation of the two categories is important. Mr. Moore said BMPs need to be stressed by the Commission in its plan because of local criticism received. Mr. LeFevere added that even though nonstructural projects are included on the CIP, those types of projects will be budgeted under the Commission's Administrative budget.

Ms. Chandler suggested the table include the flood control items remaining, etc. so that the table(s) is sequential with budget items shown allowing the cities to plan ahead. Mr. Gustafson agreed that the revised CIP can include a description of potential nonstructural BMPs, identified BMPs (i.e., goose loadings), structural BMPs, and flood control projects.

Mr. Kremer asked if a hearing needs to be held for the flood-proofing portion of the Flood Control Project. Mr. LeFevere thought it may be a good idea to hold another hearing since so many years

have passed and the hearing would give an opportunity for the Commission to inform the public of its current activities.

Mr. Moore suggested that the dollar amounts for all of the nonstructural BMPs be removed. Mr. Quanbeck asked if it would be helpful to include the cost share for the Commission and the city(ies) for the nonstructural BMPs. Ms. Chandler said that ties in with the funding sources for each project and it may be possible to state generically how funding will be provided for the nonstructural BMPs also. It could be difficult to include all BMPs, but a statement could be added what the cities responsibilities are (i.e., responsible for stormwater management systems, such as...).

The Steering Committee will meet again to look over the revised CIP before the Commission's September meeting and give more thought to the nonstructural BMPs and how that should look. The revised CIP will need to go back to the member cities for additional feedback.

Funding Options

The current funding option shown on the draft CIP is 80% Commission and 20% city share. The city of New Hope suggested the Commission participate according to the priority of a project. New Hope also suggested the current share should be allocated according to the amount of phosphorus contributed to that particular project (cause and benefit-driven). New Hope also had the question concerning receiving credit for work done by the city.

Mr. LeFevere said that there may come a time when the Commission will be required to do a TMDL project to the Mississippi River with no member city benefit and the only reason it is being done is because it is driven by TMDL legislation. In this type of project, the most cost-effective approach will be used and that will not make sense for one city to fund the project just because the project is taking place in that city.

Mr. Moore added that it doesn't make sense to give credit for improvements done by a city because it will help their own community and because it was the right thing to do. The committee agreed.

According to the JPA, a city wanting to move a project ahead of schedule can negotiate with the member cities to facilitate that project forward.

The committee agreed that no reimbursement will be made for past projects.

Taxing Authority – should the Commission seek taxing authority? The Minnesota statute and the Commission's JPA states we have taxing authority; however, the statute did not contain all that was necessary to make it effective. It was included in the WMO section of the law, but it was not shown on the list of authorized taxing jurisdictions in the taxation portion. In order to close the loop and make the legislation effective, either special legislation needs to be proposed or BWSR needs to try again to resolve the situation. Mr. Moore asked Mr. LeFevere to confirm the background information on WMOs and taxing authority. Mr. Moore recalled an amendment was made during the process, but he thought the original law allowed a city to certify an amount to the county and the county would then levy a tax for the watershed.

Mr. LeFevere said the Commission needs to talk with the cities and see how they feel about it. If the cities agree that they are in favor of a WMO and want taxing authority to get the job done, there is a good chance legislation can be changed. Mr. Gustafson said when the revised CIP is sent to the member communities, the cities should be surveyed to gather input concerning taxing authority and

WMO status of the Commission. Mr. LeFevere will prepare a memorandum describing the background information of the taxing authority issue to be attached with the revised CIP.

The committee proceeded with the funding discussion. The funding mechanism currently proposed on the draft CIP is 80% Commission share and 20% city share. The city of Plymouth suggested reversing the order – 20% city and 80% Commission. The city of New Hope viewed the 80/20 differently. They saw the highest Commission percentage at 30%, depending on priority of the project. Funding decisions cannot be made outside of the funding formulas in the JPA without all the cities unanimously wanting to change the JPA. If the Commission allows the cities to do the projects, then the Commission does not have a role. TMDL legislation can change that too.

Mr. Rardin liked the initial 80/20 at first, but acknowledges there may be a need to fluctuate the percentages according to projects. Assuming the Commission does not have taxing authority, what percentage does the Commission pay on the individual projects (i.e., 80/20, 20/80)? It sounds like cities are in favor of 80% city share because of local control.

Mr. O'Toole asked what the function of the Commission will be if the cities do all the projects? Some cities will be looking at the location of those projects and the timing (the cost/benefit ratio). The committee agreed to start with the 20% Commission /80% city cost share as a starting point that will be negotiated with each project.

Mr. O'Toole asked about the perceived imbalance that occurred during the Flood Control Project when the tunnel was built in Minneapolis, but the greater contribution toward the project came from the suburbs? In this case, Mr. O'Toole would be in favor of a greater percentage to be funded by the Commission to address any seeming imbalance.

Mr. LeFevere added fairness issues will exist. The JPA does have funding formulas and that is the operative document agreed upon by the cities with procedures to follow. Unless the cities agree to change the JPA, that is the document that drives the progress of the organization. No suggestion has been made from the various cities as to what the substitute formula should be.

Mr. O'Toole asked how other WMOs organizations have worked through similar issues to a consensus? Currently, there is not a trend line because not many JPA WMOs have constructed many or any capital projects. The formulas in other WMOs are similar to the Bassett Creek JPA. In the case of watershed districts, similar arguments are made from the cities; however, a watershed district can move ahead because of the taxing authority and can address the differences on the basis of the watershed.

Mr. Gustafson suggested this topic be discussed again at the next Steering Committee meeting. Once agreement is reached on the CIP, a trend toward reaching resolution on issues will be set in motion and will bring resolution to the funding issues. Mr. Moore would like to see the funding remain as stated in the JPA unless the cities unanimously come forward to change it.

Because of the constraints in the current JPA, the revised CIP tables will be developed to show two funding scenarios – 100% BCWMC / 0% city and 100% city / 0% BCWMC.

Future Action

- Barr will prepare a revised CIP table
- Mr. LeFevere will prepare a memorandum describing the background and current status of the taxing authority issue to be attached to the draft CIP
- Schedule a Steering Committee prior to the September 19th Commission meeting. Agenda topics will include review of the revised CIP and continue funding discussion

The meeting adjourned at 2:40 p.m.