



## **Bassett Creek Water Management Commission**

# **A g e n d a**

**Thursday, March 20, 2003  
12:00 Noon**

**Golden Valley City Hall  
7800 Golden Valley Road**

### **Call to Order**

**Presentation of February Minutes**

**Presentation of Financial Statements**

**Presentation of Invoices for Payment Approval**

### **Communications**

**Chairman**

- **Citizen Input on Non-Agenda Items**

**Counsel**

**Corps of Engineers**

**Commissioners**

**Engineer**

### **New Business**

- **Golden Valley 2003 Pavement Management**
- **Proposed 2003 Education Plan**
- **Proposed 2003 Water Quality and Water Quantity Plan**

### **Old Business**

- **Watershed Outlet Monitoring Program (WOMP)**
- **Website Improvements**
- **Second Generation Plan Update**
- ~~Capital Improvements Program~~
- **Financing Capital Projects**

### **April Meeting**

- **Audit Report**
- **Budget Committee**
- **Draft Annual Report**

### **Adjournment**

# **Bassett Creek Water Management Commission**

## **Minutes of the Meeting of February 20, 2003**

### ***Call to Order***

The Bassett Creek Water Management Commission was called to order at 12:05 p.m., Thursday, February 20, 2003, at the City of Golden Valley City Hall by Chair O'Toole.

### ***Roll Call***

<i>Crystal</i>	Alternate Commissioner David Anderson	<i>Counsel:</i> Charlie LeFevere
<i>Golden Valley</i>	Alternate Commissioner Jan LeSuer, Acting Treasurer	<i>Engineer:</i> Len Kremer
<i>Medicine Lake</i>	Commissioner John O'Toole, Chair	<i>Recorder:</i> Pat Schutrop
<i>Minneapolis</i>	Commissioner Michael Welch	
<i>Minnetonka</i>	Commissioner Bill Yaeger, Secretary	
<i>New Hope</i>	Commissioner Vincent Vander Top	
<i>Plymouth</i>	Commissioner Elizabeth Thornton	
<i>Robbinsdale</i>	Commissioner Karla Peterson	
<i>St. Louis Park</i>	Commissioner Paul (PJ) Andersen	

**Also present:** Erik Hansen, Alternate Commissioner, city of Robbinsdale  
Karla Anderson, Alternate Commissioner, city of Plymouth  
Ron Quanbeck, BCWMC Technical Advisory Committee, city of Plymouth  
Bill Deblon, BCWMC Technical Advisory Committee, city of Robbinsdale  
Alison Fong, BCWMC Technical Advisory Committee, city of Minneapolis  
Carlton Moore, BCWMC Technical Advisory Committee, city of St. Louis Park  
Lee Gustafson, Chair, BCWMC Steering Committee, city of Minnetonka  
Kelly MacIntyre, BCMWC Technical Advisory Committee, city of Minneapolis  
Linda Loomis, Mayor, city of Golden Valley  
Jeannine Clancy, BCWMC Technical Advisory Committee, city of Golden Valley  
Jeff Oliver, BCWMC Technical Advisory Committee, city of Golden Valley  
Nancy Azzam, Golden Valley League of Women Voters  
David Cossi, 5005 Bassett Creek Drive North  
Chris Rahill, 5222 Minnaqua Drive  
Richard McGowan, 2655 Scott Avenue North  
John Woodruff, 2665 Scott Avenue North  
Chris Knight, 1205 Idaho Avenue North

### ***Approval and/or Correction of Minutes***

The minutes of the January 16, 2003 meeting were presented. Mr. LeSeur moved and Ms. Thornton seconded the motion to approve the minutes. Carried unanimously.

### ***Financial Statements***

Alternate Commissioner LeSuer presented the Treasurers Report as of February 20, 2003. The current balances are as follows:

Checking Account Balance	\$418,125.39
Investment Account	0.00
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<b>TOTAL GENERAL FUND BALANCE</b>	<b>\$418,125.39</b>
Construction Account Balance	\$347,891.10
Commercial Paper (due 3/03/03)	99,000.00
Commercial Paper (due 3/03/03)	99,000.00
Commercial Paper (due 3/04/03)	98,000.00
Commercial Paper (due 3/05/03)	99,000.00
Commercial Paper (due 3/11/03)	99,000.00
Commercial Paper (due 4/23/03)	99,000.00
Commercial Paper (due 4/23/03)	99,000.00
Commercial Paper (due 4/23/03)	99,000.00
Commercial Paper (due 4/25/03)	99,000.00
Commercial Paper (due 5/23/03)	98,000.00
Commercial Paper (due 8/29/03)	97,991.18
Commercial Paper (due 8/29/03)	97,991.18
Commercial Paper (due 8/29/03)	97,991.18
Commercial Paper (due 8/29/03)	97,991.18
Commercial Paper (due 8/29/03)	97,991.18
<hr/>	
<b>TOTAL CONSTRUCTION ACCOUNT BALANCE</b>	<b>\$1,825,847.00</b>

The Treasurers report was accepted as presented and ordered to be filed subject to audit.

### ***Presentation of Invoices to be Paid***

The following invoices were presented for approval:

1. An invoice was received from Barr Engineering Company for professional services during the period December 28, 2002 through January 31, 2003, in the amount of \$24,700.51. This is Barr's year-end invoice for 2002.

Mr. LeSuer moved and Ms. Peterson seconded approval for payment of claims as set forth on the invoice. Upon call of the roll, the vote was unanimously carried.

2. An invoice was received from A.J. Gallagher & Co. of MN, Inc. in the amount of \$100 for the Treasurers Bond for 2003.

Mr. LeSuer moved and Mr. Vander Top seconded approval for payment of claims as set forth on the invoice. Upon call of the roll, the vote was unanimously carried.

### ***Organizational Meeting***

1. Chair O'Toole opened the nominating process and called for nominations for Chair.

Mr. Welch moved and Mr. Yaeger seconded the motion to nominate John O'Toole as Chair. No additional nominations were received. Mr. Vander Top moved and Ms. Thornton seconded the motion to close the nominations and to cast a unanimous ballot for John O'Toole to serve as Chair. Carried unanimously.

2. **Mr. Vander Top moved and Mr. Andersen seconded the motion to nominate Michael Welch as Vice Chair. No additional nominations were received. Mr. Yaeger moved and Ms. Thornton seconded the motion to close the nominations and to cast a unanimous ballot for Michael Welch as Vice Chair. Carried unanimously.**
3. **Mr. Vander Top moved and Ms. Thornton seconded the motion to nominate Bill Yaeger to serve as Secretary. No additional nominations were received. Mr. Welch moved and Mr. Vander Top moved the motion to close the nominations and to cast a unanimous ballot for Bill Yaeger as Secretary. Carried unanimously.**
4. **Mr. Vander Top moved and Mr. Andersen seconded the motion to nominate David Hanson to serve as Treasurer. No additional nominations were received. Mr. Vander Top moved and Ms. Thornton seconded the motion to close the nominations and to cast a unanimous ballot for David Hanson as Treasurer. Carried unanimously.**
5. **Mr. Vander Top moved and Ms. Thornton seconded the motion to reappoint Sue Virnig as Deputy Treasurer. No additional nominations were received. Mr. Vander Top moved and Ms. Thornton seconded the motion to close the nominations and to reappoint Sue Virnig as Deputy Treasurer. Carried unanimously.**
6. **Ms. Peterson moved and Mr. Vander Top seconded the motion to reappoint Wells Fargo-Golden Valley bank as the official depository. Carried unanimously.**
7. **Executive Committee. Activities involving the Executive Committee consist of working on the proposed budget and attendance at meetings that may arise out of extraordinary circumstances where action is necessary between Commission meetings. The following commissioners are appointed as the Executive Committee: Commissioners O'Toole (Chair), Welch, Thornton, and Hanson.**
8. **Technical Advisory Committee. Chair O'Toole asked the TAC to meet and identify a chair and update the Commission at the May meeting. Mr. O'Toole also requested that the TAC identify the criteria and process for allocating the Demonstration Projects budget, and report back to the Commission with recommendations.**

**Mr. LeFevere added that both the Executive Committee and the Technical Advisory Committee are formal committees of the Commission and therefore subject to the Open Meeting Law meaning the date and time of such meetings need to be posted and are open to the public.**

## **Communications**

### **Chairman:**

1. **An e-mail communication was received from Plymouth city council member, Ginny Black, concerning the Phosphorus Lawn Fertilizer Law.**
2. **A copy of the meeting notice to discuss the revised flood insurance maps for Bassett Creek and Hennepin County were included in the meeting packet.**
3. **A copy of the *Parkers Lake Connection* was received from the city of Plymouth.**

### **Citizen Input on Non-Agenda Items:**

**No communications**

*Counsel:*

1. Mr. LeFevere received an e-mail communication concerning the 90-day notice to the Hennepin County Conservation District that the Hennepin County General Government Committee was cutting its annual \$600,000 funding to the HCD. The HCD is the soil and water conservation district for this area. The County Board is requesting affected WMOs and cities to offer comment concerning the impact this cut will have on them. The Commission's involvement with the HCD is limited. The Commission has been involved in a services agreement with HCD for the River Watch program, which is an educational program with area schools.

Ms. Nancy Azzam requested that the Commission submit a letter of support on behalf of the HCD because of the good work performed with the area schools and the benefit received by the youth who have participated in the program.

Mr. Welch said that there is an internal conflict with how HCD is working and he is in favor of submitting a letter of support of the HCD stating it has been beneficial partner to the Commission in the past and specify projects that the HCD has worked on with the Commission. Ms. Thornton added that she has worked with HCD in the past on the macroinvertebrate sampling done by them and saw the benefit of that program. She also stated that there are other parts of the county that need to have this service available to them and is also in favor of encouraging continued contribution by the County to the HCD. Ms. Peterson agreed that there are many other watershed districts and WMOs that are positively affected by the HCD and believes it is important to be in concert with them and show support.

Mr. LeSuer asked if the HCD has a mission statement and, if so, can the Commission impress on them to fulfill that mission statement. Mr. LeFevere said they have vaguely stated responsibilities (i.e., erosion and water quality, soil conservation, etc.) as authorized in Minnesota Statute Chapter 103C.

Mr. Quanbeck said that Mr. Joel Settles, Hennepin County, has been directed by the County Board to put together a report to the County Commissioners describing what the HCD does and provide some recommendation on what services the County Environmental Services Group may take on and do in the future. Mr. Settles is looking for a prioritized list of services that HCD provided and how important those services are and the need for them to be continued by the County. Mr. Settles' report is due by March 18.

Mr. Welch moved and Mr. Andersen seconded the motion to direct the Commission engineer to prepare a letter to Mr. Settles identifying past projects that the Commission participated with the Hennepin Conservation District and noting success of those projects and encouraging the County to continue them. Carried unanimously.

*Corps of Engineers:*

No communications.

*Commissioners:*

No communications.

*Engineer:*

1. Mr. Kremer met with the Stadium Commission concerning a previous inquiry as to whether or not there was any technical reason why the new Twins Stadium could not be built on the proposed site. The Commission has a double box culvert located on the site. In previous discussions with the city of Minneapolis and the Corps of Engineers, it was concluded that there is no technical reasons for not building the stadium over the top of the culvert. Mr. Kremer communicated to the Stadium Commission that the soils are poor and no loading would be allowed to be transferred to the box culvert. They would also be required to make special provision so that easy access to the box culvert would be provided and did not disturb their structure, precautions against damage to the culvert during construction would need to be taken, and inspection reports are required prior to and after construction.

Mr. Kremer is requesting permission to continue to meet with the Stadium Commission and set up a meeting with the Corps of Engineers and the Stadium Commission's consultant to go through the plan in detail. Mr. Kremer also recommended some form of agreement be in place so that if damage does occur, they bear the cost of any repair.

Mr. O'Toole made it clear that the Commission will not contribute financially to the stadium. Access and inspection will be difficult and Mr. O'Toole suggests the Commission look to the Stadium Commission for compensation. Mr. Kremer recommends some discussion take place prior to the meeting as to how the agreement should be drafted to cover residual costs, etc.

The Commission directed the engineer and counsel to set up a meeting with the Stadium Commission, its consultant, and the Corps of Engineers to discuss the project in more detail as well as compensation issues involved.

2. Correspondence was received from the Federal Emergency Management Agency (FEMA) identifying a series of meetings for discussion of results of the Draft Flood Insurance Maps.
3. Correspondence was received from the Metropolitan Council concerning the citizen-assisted lake monitoring program (CAMP) for 2003. The Commission participated in the program monitoring Northwood Lake, Parkers Lake, North Rice Lake, and Sweeney Lake in 2003. The Commission contributed \$700/lake. The Met Council is asking if the Commission would like to participate in the program again in 2003 and if so, identify what lakes will be included. Mr. Vander Top said the participation by New Hope in the monitoring of Northwood Lake was positive and educational and most likely New Hope will be in favor of participating again.

The Commission would like to participate again in 2003 and directed the engineer to contact the member cities to find out whether they are interested and what lakes they would like to include.

4. The city of Plymouth is proposing to construct the two ponds on the east/southeast corner of Medicine Lake as recommended in the Commission's lake management plan for Medicine Lake. These two ponds were also listed in the draft proposed capital improvements program. The city of Plymouth will be submitting a project plan to present to the Commission at a later meeting.

## ***New Business***

1. **Website Traffic.** The meeting packet included a traffic summary for the Bassett Creek website. Since October 1, 2002, the site has received 2,418 visits total. There were 1,063 unique visitors, 230 of whom visited more than once. The average time a visitor spent in the site was 13 minutes. The website saves

the Commission time and money by including documents (the application form, annual reports, policies relative to development, meeting minutes, etc.) that are easily accessible and can be downloaded by a user. A list of possible website improvements were also included in the packet that may help to increase the use of the site and its effectiveness. Mayor Loomis suggested posting the current agenda prior to the meeting. Chair O'Toole agreed with Mayor Loomis' suggestion and that change will be made immediately. He asked the commissioners to give some thought about how much money to use in improving the site for discussion again at the Commission's March meeting.

## **Old Business**

1. **Wirth Lake Beach House.** The proposed beach house project and the Wirth Lake LCMR grant were discussed during the Commission's November 2002 meeting. The Minneapolis Park and Recreation Board (MPRB) is proposing some modifications at Wirth Lake and are encountering budget problems. Because the project is a modification to an existing public facility, the MPRB is required to make some water quality improvements. The MPRB is asking if the Commission would consider delaying the costs of the water quality improvements or consider alternatives. The MPRB will implement revegetation of the shoreline. The MPRB would like to delay the costs of the infiltration basin or wait for an opportunity to participate in the Wirth Lake/LCMR project in an effort to increase the efficiency of one of the features being developed as a result of that project so that some measures could more economically be implemented to improve the water quality as part of the beach house project. The MPRB is also applying for additional grant monies from the Metropolitan Council. They are willing to attend the next Commission meeting to discuss their proposal in more depth. Mr. Kremer recommends that a letter be sent to the MPRB stating that the Commission does expect them to implement some form of water quality measures and to consider the possibility of including those measures as part of the Wirth Lake/LCMR project. If the water quality measures cannot be done as part of the Wirth Lake/LCMR project, also request that the MPRB to set aside enough area as part of their redevelopment so that water quality improvements can take place in the future.

Mr. Yaeger asked if there is a probability that the water quality work will not get done in the future. Mr. Kremer said there is always a possibility that the MPRB will not receive the additional funds. In accordance with the water quality policy, the MPRB has been informed that if grading exceeds 0.5 acres, the project would need to meet the requirements of the water quality policy requiring implementing stormwater treatment before the other phases of the work can be done. Apparently, the disturbed area resulting from the utility trench (about 1 acre) would exceed the 0.5 acre threshold.

Mr. Welch added that the project does need to be staged due to budget considerations. There seems to be some discrepancy as to what kind of project this is (public development or public expansion/addition, or public redevelopment) that will need to be determined and the MPRB is willing to work out those details with the Commission. Mr. Welch said the current sanitary sewer system is over 60 years old and beginning to deteriorate. Mr. Welch also pointed out that the rain garden, or infiltration basin, may be a possible pilot project for the Technical Advisory Committee to consider contributing money from the Demonstration Project budget. The proposed rain garden would be a good display of water quality efforts the Commission is encouraging in the watershed.

Mr. Kremer added that the Commission has had similar projects in the past where the implementation of water quality measures were delayed until sometime in the future when it would be a more reasonable time to construct them (e.g., Mn/DOT asked the Commission to delay some of the water quality features during the construction of I-394).

Mr. LeFevere would not recommend approving the project based on an assumption that the applicant will provide water quality improvements in the future and suggests that the MPRB present a specific

proposal to the Commission to respond to. The Commission can then consider the alternatives presented prior to approving the project.

Chair O'Toole directed the engineer to send a letter to the MPRB requesting them to prepare a specific proposal with alternatives to present at the Commission's March meeting or some future meeting.

2. **Proposed Resolution – Floodproofing Homes in Golden Valley.** Chair O'Toole summarized what transpired prior to today's meeting concerning the floodproofing issue. A public hearing was conducted at the February 20<sup>th</sup> Commission meeting where testimony and various proposals were discussed concerning funding associated with floodproofing of the homes located in Golden Valley. Mr. LeFevere prepared a draft resolution proposing Commission payment of 72.5% of out-of-pocket construction, design, engineering, and contract administration costs incurred by the city of Golden Valley for construction of the floodproofing project in an amount not to exceed \$700,000; and all other costs for the floodproofing project will be paid by the city of Golden Valley.

The Commission engineer presented a memorandum giving a brief assessment of the water quality and water quantity benefits for the proposed floodproofing plan. Before discussing the memorandum, Mr. Kremer provided the following additional information. When the Commission started investigating the possibility of the Flood Control Project, they enlisted the help of the Corps of Engineers. One of the first requirements of the Corps' involvement was that the Commission needed to include a public participation process. Several communities had active public participation processes (including Golden Valley). The problem area located in Golden Valley was downstream of Highway 100. At that time, there were 50 to 60 homes located in the floodplain.

The process that the Corps and the Commission went through was to identify all of the options available and present and discuss them with the homeowners. Out of five or six alternatives presented, three options were viable. The first option was an extensive channel improvement (from Regent Avenue down to Golden Valley Road) that was also very expensive. Option two was to do less channel improvement, but increase the amount of storage that was in the city of Crystal. This option would have required the purchase of homes around Bassett Creek Park in order to increase the storage during the occurrence of a 100-year flood. The third option (and less costly of the three) was a combination of the first two options that included less channel improvement, less flood storage around Bassett Creek Park, and floodproofing the homes.

At the time, the citizens and the city of Golden Valley agreed that the most acceptable alternative was to floodproof the homes. Floodproofing the homes would prevent disturbance of the picturesque scene of the neighborhood located downstream of Regent Avenue. The citizens around Bassett Creek Park did not feel it was acceptable to purchase their homes in order to create more floodplain storage because they were not in the floodplain. The homeowners were involved in this process and agreed that even though the project will impact them, they were willing to accept it because it would have the least total impact. This was the plan considered at the Commission's public hearing and adopted.

During the Corps' initial feasibility study, floodproofing was included and submitted to the Corps' headquarters for approval. The Corps' headquarters determined that with the channel improvements and providing the additional flood storage, the benefit would be sufficient and decided there was no incremental justification for floodproofing and removed the floodproofing portion from the plan. The Corps therefore said they would not participate with the Commission or the city should they decide to do the floodproofing. Even though the Corps removed the floodproofing from their plan, the floodproofing remained as part of the Commission's plan.

At the time, if the Commission would have proceeded to implement the floodproofing, there would have been 34 homes needing floodproofing, but additional storage was provided upstream of Highway 100

that allowed that number to be reduced to 12 homes, along with those homeowners who floodproofed their own homes at personal expense. The estimated cost to floodproof those 12 homes is less than \$1 million. In comparison, the cost of the first option presented would have been greater than the floodproofing costs proposed today. Mr. Kremer said there is primary benefit provided by the other improvement measures made and therefore he cannot say that the floodproofing by itself has incremental justification, but the Commission was always considering a plan that provided 100-year protection for the entire reach and not looking at trying to incrementally justify individual components of the Flood Control Plan.

One of the questions raised at the January 2003 Public Hearing was where did the \$1.8 million come from that is remaining in the Flood Control construction account. The memorandum prepared by the engineer shows the sources that provided the non-federal funding for the project. The funding formula for the project was complicated and included credit for lands that reduced the assessments to the watershed cities. Other sources included the Minnesota Department of Transportation, Minnesota Department of Natural Resources, flood damage reduction grant, Hennepin County Dam Restoration Grant, General Mills grant, earned interest on investments, and easements. The remaining funds are a compilation of funds remaining from the various sources.

Another question raised was what are the benefits resulting from the implementation of the floodproofing project. One was to minimize environmental impacts downstream when providing 100-year protection. If the channel were increased, higher flow velocity would have resulted in water quality impacts.

The overall benefit to cost ratio for the project was 1.2:1. The redevelopment benefits incurred because of land removed increased the cost ratio to 1.35:1. The proposed \$700,000 floodproofing cost is about 1½% of the total project cost. If the Commission decides to not floodproof, the homes will be subject to flood damage by floods with a recurrence interval between 50 and 100 years. The homeowners will need to continue to purchase flood insurance and may elect to continue to have flood insurance even with floodproofing.

If the \$700,000 were not used for floodproofing, the Commission would put those funds toward the emergency and long-term maintenance of the Flood Control Project structures.

Mr. LeSuer asked if the residents would have been assessed for either of the first two options presented in the Corps' and Commission's plan? Mr. Kremer said if either one of those options would have been implemented, they would have been funded like the rest of the project was funded (25% local and 75% federal). That was not a factor in deciding if the floodproofing was a cheaper option because the cost sharing for the floodproofing was 20/80 compared to the rest of the project which was 25/75.

The city of Golden Valley held a neighborhood meeting on February 13<sup>th</sup>. A number of the residents submitted letters of concern to the Commission. There was considerable discussion involving the homeowners in attendance trying to understand why the Commission is asking for a cost share from them when during the original Flood Control Project, homeowners were not required to contribute.

Mr. Kremer added that while in the process of identifying various alternatives, the Corps had to identify a National Environmental Quality plan for any particular reach and because there was less structural work, the floodproofing plan had the least environmental impact other than the no-action alternative.

Mr. David Cossi, 5005 Bassett Creek Drive North, asked how equitable is it to ask the residents to pay for a portion of the floodproofing. Mr. Cossi believes that all the residents owning homes on the

floodplain should be treated somewhat the same. Mr. O'Toole said there are varying opinions as expressed during the public hearing and the draft resolution is a compromise proposal.

In light of Mr. Cossi's question, Mr. Welch further asked if all the homes now located in the 100-year floodplain within the watershed that were not in the floodplain at the time of the original Flood Control Project are being treated equitably. Mr. Kremer did not believe that any new homes have been built in the floodplain. Mr. Kremer also said that the FEMA remapping does cause the property of some homes to now be in the 100-year floodplain. Almost every community has homes that may be located near ponds, etc. that are below the 100-year flood level for those ponds, but those homes are not a part of the floodproofing project. The Commission did not assume responsibility for those homes located as part of a city's stormwater system, but the responsibility would belong to the city. The Commission assumed responsibility for those homes located along the major trunks of the creek.

Ms. Peterson asked if there was a cost share associated with the homeowners in the Flood Control Project. Mr. Kremer said those homes were 100% funded by the project and the homeowners were not required to pay anything.

The new FEMA delineation of the floodplain meant that more properties are included and those property may be touched by the 100-year flood level; however, the structures' first floor elevations are still above the 100-year flood level. Mr. Yaeger added that mortgage lenders require flood insurance of homes where the structure is located in the 100-year floodplain, but not if only the land is touched by the 100-year floodplain.

Mr. Dick McGowan, 2655 Scott Avenue North, is retirement age and expressed objection to contributing floodproofing costs and questioned whether the funds he contributes would be recovered in the sale of his home. Mr. McGowan added that the fear of the flooding is worst than the flooding itself.

Mr. Cossi asked what the current process consisted of that changed the Commission's decision to ask the homeowners to contribute toward the floodproofing. Mr. Vander Top asked for the engineer to provide more history as related to Mr. Cossi's question. He asked if at the time, was the Commission aware that the incremental benefit through the upstream ponding, etc. would not provide 100-year flood protection. Mr. Kremer said the Commission was aware that it would not provide 100-year protection. Mr. Vander Top asked if Mr. Kremer could recollect what took place that essentially delayed discussion of continuing with the floodproofing project until the year 2003.

Mr. Kremer said the Corps never offered to relook at the floodproofing portion of the project, but left that decision to the Commission to complete on its own at 100% local cost. The Commission did challenge the Corps' decision and appealed to the Corps with no reconsideration by the Corps.

Mr. LeSuer thinks the appeal that the Commission made to the Corps is the same appeal that the city of Golden Valley is making to the Commission at this time.

Mr. Kremer added that in the past, there were times when the floodproofing was brought up by various commissioners indicating to the Commission that it was still incomplete and needed to be discussed by the Commission. Mr. Vander Top speculated that the funding discussions were never completely resolved and the Commission may have wanted to move ahead with the project. The question now is should the Commission change the scope of the project or follow through and essentially assess the residents for the value of the project.

Mr. Chris Rahill, 5222 Minnaqua Drive, purchased this home two years ago and was under the impression that the work that the Commission wanted to do that included his home was completed. He expressed concern that it is difficult from a property value standpoint to ask the homeowners to

contribute to the floodproofing and believes it is not equitable when others in the area were covered by the local government.

Mr. John Woodruff, 2665 Scott Avenue North, added that in 1993, he applied for a permit to build a deck on his home. In order to get the permit, the Corps of Engineers had to survey the land to see if the land is out of the floodplain. Mr. Woodruff was told that his home is no longer in the floodplain and was given permission to build the deck, only to find out that his home is, in fact, located in the floodplain and that there is \$1.8 million in an account and only \$700,000 is proposed to be used for the floodproofing.

Mr. McGowan objects to contributing to the floodproofing because he does not feel his home will appreciate in value to recover the amount he is asked to contribute. Mr. Yaeger called a number of appraisers and asked how much floodproofing these homes in this area would increase their value and was told it would not substantially, if at all, increase the value.

Mr. LeSuer said there is the consideration of housing that has value and does not think the Commission should cavalierly agree there is no value.

Mr. Vander Top said it is his understanding as to why the decision has changed concerning the 12 homes now proposed to be floodproofed with a cost share from the residents is due to time. There is no financial benefit to spending \$700,000 for floodproofing for perceived benefit, making the cost ratio less than 1 so the Commission is spending more than actual benefit received. Conversely, there is a history that says we need to and the draft resolution proposed is a compromise.

Mr. Welch added that the funding mechanism for the floodproofing project changed dramatically when the Corps decided to not participate in the floodproofing because the Corps did not see any incremental benefit. Today, the Commission earnestly is attempting to resolve the floodproofing issue in an equitable and reasonable manner. Mr. Welch continued by expressing concern for the homeowners who floodproofed their homes at personal expense.

Mr. Welch asked Mr. Kremer that at the time the floodproofing was 100% locally funded, why did the pullout of the Corps affect the floodproofing. Mr. Kremer clarified that the floodproofing of the five homes located upstream was funded 100% local; however, funding for floodproofing of the proposed 12 homes was proposed at 20% local and 80% federal at the time the Corps feasibility study was done. The Corps would participate at 20/80 where the flood level was being lowered, but would not participate on the upstream side because the Commission was acquiring the right to increase the level and they would not participate in that.

Golden Valley Mayor Linda Loomis said that it has been mentioned that the original homes that were floodproofed did not have to pay for the benefit they received. When the city assesses for street improvements, the city is required to justify a relationship between an improvement and the value of the property and the money that will be assessed. Mayor Loomis is not sure why the Commission would not have to meet the same requirement and added that floodproofing is more of a protection for the homeowner than adding value to the property. Mayor Loomis added that the Joint Powers Agreement was formed to manage water quantity issues and the Commission is still bound by the JPA and has an obligation to the homeowner to help them. Homeowners who floodproofed at a personal expense did so with full knowledge that there may be a time when they would receive help, but chose to move ahead with the floodproofing and that is an issue the city can work on with those homeowners.

Ms. MacIntyre asked if it is the Commission's responsibility to protect the structures from the 100-year flood of the homes placed in the 100-year floodplain because of the remapping done by FEMA. Mr.

**Kremer said that historically, the Commission has tried to prevent flood damage to structures from the 100-year flood level.**

**Mr. Gustafson added that the draft resolution and thought processes are based on the feasibility report associated with the properties. After some review of the feasibility report, Mr. Gustafson concluded that many of the recommendations made have alternative improvements that may be less complicated by implementing new technologies and the cost could be less than \$700,000. Mr. Gustafson also added that after being involved with the Commission for over 20 years, he does not recall the Commission taking an official position that the Commission would pay all the floodproofing costs associated with the 12 homes.**

**Ms. Clancy added that all of the homeowners received the feasibility report and told that it was a concept plan representing a certain amount of dollars and that plan may or may not be the actual plan implemented. The city and homeowners are interested in moving ahead, but need the funds to do that.**

**As referred to in a letter from one of the homeowners who was prevented from implementing proposed floodproofing measures, Mr. Yaeger asked what was behind keeping the homeowners from implementing the measures if they chose to do them on their own. Ms. Clancy said there are certain situations where the property owner needs to work with an adjacent property owner and, in this case, the adjacent property was not in a position to participate.**

**Chair O'Toole brought the floodproofing discussion to a close and asked if any of the commissioners wanted to propose a motion.**

**Mr. LeSuer moved the motion that Bassett Creek Water Management Commission cover 100% of the floodproofing costs associated with the 12 homes located along the floodplain in Golden Valley. Motion failed for lack of a second.**

**Mr. O'Toole moved and Mr. Vander Top seconded the motion to adopt the draft resolution presented ordering a project for the floodproofing of homes, designating Golden Valley as the agency responsible for construction and allocating responsibility for project costs. The resolution states that 72.5% of the out-of-pocket construction, design, engineering and contract Administration costs incurred by the city of Golden Valley for construction of the Floodproofing Project in an amount not to exceed \$700,000. All other costs for the Floodproofing Project will be paid by the city of Golden Valley. Upon call of the roll (requested by Mr. LeSuer), the motion was carried with two no votes from the cities of Minnetonka and Golden Valley.**

- 3. Second Generation Plan Update. All comments have been received concerning the proposed Capital Improvements Program. Mr. Kremer recommended the Steering Committee meet and discuss the CIP comments and formulate recommendations to submit to the Commission at its March meeting. The preliminary draft second generation plan is scheduled to be submitted to the Steering Committee prior to its next meeting.**

## ***March Meeting***

1. Mr. O'Toole presented the following agenda items for the Commission's March meeting:

- Financing capital projects
- Proposed 2003 Education Plan
- Proposed 2003 Water Quality and Water Quantity Plan
- Website improvements
- Second Generation Plan update

## ***Adjournment***

It was moved by Mr. Welch and seconded by Ms. Peterson to adjourn the meeting. Chairman O'Toole adjourned the meeting at 2:20 p.m.

\_\_\_\_\_  
John O'Toole, Chair

\_\_\_\_\_  
Pat Schutrop, Recorder

\_\_\_\_\_  
Bill Yaeger, Secretary

Date: \_\_\_\_\_

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