



## MINUTES

June 22, 2017

A meeting of the Technical Advisory Committee (TAC) of the Shingle Creek and West Mississippi Watershed Management Commissions was called to order by Chairman Richard McCoy at 8:30 a.m., Thursday, June 22, 2017, at Crystal City Hall, 4141 Douglas Drive North, Crystal, MN.

Present were: Andrew Hogg, Brooklyn Center; Jesse Struve, Brooklyn Park; Todd Tuominen, Champlin; Mark Ray, Crystal; Rick Lestina, Maple Grove; Liz Stout, Minneapolis; Ben Scharenbroich, Plymouth; Richard McCoy and Marta Roser, Robbinsdale; Diane Spector and Jeff Strom, Wenck Associates, Inc.; and Judie Anderson and Beverly Love, JASS.

Not represented: New Hope and Osseo.

- I. Motion by Ray, second by Scharenbroich to approve the **agenda**. \* *Motion carried unanimously.*
- II. Motion by Hogg, second by Stout to approve the **minutes of the April 27, 2017 meeting**. \* *Motion carried unanimously.*

[Lestina arrived 8:35 a.m.]

### III. **Closed Projects Account Balance and Policy.\***

When the Commissions first began sharing in the cost of capital projects through certifying a levy to Hennepin County, the cooperative agreement for each project limited the amount of levy to be reimbursed to the member city(ies) to the amount of levy received less the Commission costs to certify. In addition, the amount of levy to be cost-shared with the member city(ies) was limited to 25% of the final project cost. When a few projects were completed for significantly less than the project cost estimated for purposes of the levy, in 2012 the TAC recommended and the Commissions adopted a Closed Projects Account Fund Policy. That policy enabled the costs of certification and any shortfall in levy to be made up from the Closed Projects Account. The Commissions directed that member city(ies) receive the full amount of levy certified, up to 25% of the final project cost.

The potential liability to the Closed Projects Account continues to accumulate, although the recent policy change to certify 101% of the proposed levy will help. A number of projects will be submitted for final reimbursement soon, and the certification costs and shortfalls will significantly reduce the balance in this account. The Closed Projects Fund balance at year end 2016 was just over \$74,100, while the levy shortfall and admin costs for the projects yet to be finalized totals almost \$20,800, or about 28% of the total available funds.

The 2016 audit showed the Shingle Creek Commission to have a negative unrestricted/unassigned fund balance of almost \$-83,790. That figure is a snapshot in time and does not reflect some pending reimbursements for grant projects that the auditor does not recognize unless they are expected to be received in 60 days. It also does not reflect expenses that have accrued on some capital projects that will be reimbursed from levy to be received in 2017. However, that places additional strain on the Closed Projects Account as it is the only source of funding to make up that balance.

Staff recommends that the TAC recommend to the Commissions that the practice of using the Closed Projects Account fund balance to pay costs and make up shortfalls be discontinued. The Closed Projects Account

Fund Policy allows the Fund to be used this way but does not require it. The Commissions may simply discontinue this practice without having to revise the Policy.

*[Tuominen arrived 8:50 a.m.]*

After some discussion, motion by Ray, second by Scharenbroich to recommend to the Commissions the following:

1. For pending city projects, continue with the practice of making up the levy shortfall and paying the administrative costs out of the Closed Projects Account.
2. For future levied projects, add 5% to the project cost for Commission administrative and other expenses. In other words, if the Commission's share is \$100,000, the total project cost would be \$105,000.
3. Continue to certify 101% of the total project cost to cover levy shortfalls. The levy certified for that \$100,000 Commission's share would be \$106,050= 1.01 x (\$100,000 x 1.05).
4. Continue to pay costs from the Closed Projects Account and reimburse cities for 100% of the Commission's share of the project cost, up to 25%.
5. Wait to see how the levy settlements come in for 2017 before making any further adjustments to the 101% certification practice and how the Closed Projects Account Fund Policy is administered.

*Motion carried unanimously.*

#### **IV. Bass, Schmidt, and Pomerleau TMDL Five-Year Review Final Draft.\***

Strom presented the five year review report. The report is a review of progress toward meeting the load reductions identified in the Schmidt, Pomerleau and Bass Lakes Nutrient TMDL. It includes an assessment of recent data and information that have been collected on these lakes as well as actions that have been implemented to reduce nutrient loads since the TMDL was completed in 2009. It also describes the actions planned for the next 5 years of the implementation plan and sets forth how progress toward the TMDL will be measured.

The TAC members received the report by consensus. Staff will meet with the affected cities to determine how they wish to proceed, complete the report, and bring it to the Commission in July or August.

#### **V. Lake Fish Surveys.**

Surveys will be conducted on Meadow and Magda lakes in July.

#### **VI. Other Business.**

**A.** The three **bio-char sites** are in the second year of monitoring. In-pond and outlet monitoring is being performed. Staff is seeking permission from MPCA/EPA to perform bench monitoring, including cores, to determine removal efficiency – how filters change over time, what improves efficiency.

**B.** The **next meeting** is scheduled for August 24, 2017, at 8:30 a.m. at Crystal City Hall.

**C.** The meeting was adjourned at 10:00 a.m.

Respectfully submitted,



Judie A. Anderson, Recording Secretary