

**Technical Advisory Committee
MINUTES | August 8, 2024**

A meeting of the Technical Advisory Committee (TAC) of the Shingle Creek and West Mississippi Watershed Management Commissions was called to order by Chair Richard McCoy at 11:06 a.m., Thursday, August 8, 2024, at the Plymouth Community Center, 14800 34th Avenue North, Plymouth, MN.

Present: Ahmed Omer, Brooklyn Center; Mitchell Robinson, Brooklyn Park; Heather Nelson, Champlin; Jesse Struve, Crystal; Mark Lahtinen, Maple Grove; Nico Cantarero, Minneapolis; Nick Macklem, New Hope; Amy Riegel, Plymouth; and Richard McCoy, Robbinsdale.

Not represented: Osseo.

Also present: Burt Orred, Crystal; Andy Polzin, Plymouth; Jenna Wolf, Robbinsdale; Todd Shoemaker and Katie Kemmitt, Stantec; and Judie Anderson, JASS.

I. Motion by Cantarero, second by Riegel to **approve the agenda**. *Motion carried unanimously.*

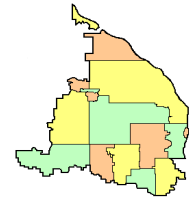
II. Motion by Cantarero, second by Macklem to **approve the minutes*** of the July 11, 2024, meeting. *Motion carried unanimously.*

III. **2023 YEAR-END FUND BALANCES.*** The 2023 audit is finalized. The 2023 year-end balances for non-operating accounts are the following:

A. Shingle Creek.

1. Restricted for Capital Projects. These are funds levied for specific capital projects. The Commission holds these funds until the member cities have completed the work and request reimbursement for their costs incurred. At the end of 2023, the Commission made final reimbursements for two stream restoration projects and authorized the transfer of excess levy funds to the Closed Projects Account. In addition, the Commission canceled any additional work on the SRP Channel project and authorized transfer of unspent levy funds. Those transfers occurred in 2024 after the books were closed for 2023, so they are not reflected on the 2023 audit. All remaining 2023 projects except Maintenance will be completed in 2024. At 2023 year-end this account held \$1,709,920 for a total of six projects and the Maintenance Fund.

In 2024, excess levy totaling \$972,216 will be transferred from the Restricted account to the Closed Project Account and an anticipated 2023 levy amount totaling \$824,165 will be deposited in the Restricted account in 2024, resulting in a 2024-year-end total of \$1,561,869.



2. Cost Share Projects. The Commission operates two cost share projects, one for city projects and one for partnership projects on private property. There is one outstanding **City Cost Share** project for which reimbursement has not yet been requested, and in 2023 the Commission authorized transferring \$150,000 from City Cost Share to Closed Projects. At 2023 year-end this account held \$297,944. An anticipated 2023 levy amount totaling \$100,000 will be deposited in the City Cost Share account in 2024, resulting in a 2024-year-end total of \$397,944.

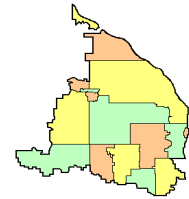
The 2023 year-end encumbered balance in the Shingle Creek **Partnership Cost Share** account is \$108,873. An anticipated 2023 levy amount totaling \$50,000 will be deposited in the Partnership Cost Share account in 2024, resulting in a 2024-year-end total of \$158,873.

3. Closed Projects Account. The Closed Projects Account (CPA) houses levy funds that remain after reimbursing final project costs. In addition, on occasion a project is cancelled, and the levy funds are then transferred to this fund. These funds are to be used for capital improvement projects, including the cost of undertaking feasibility studies to preliminarily scope a future project and may also be used to limit future capital levies for new projects.

At 2023 year-end this account held \$113,490. An excess levy amount totaling \$737,705 for three projects will be deposited in the CPA in 2024, and \$475,304 in funding will be authorized from the CPA in lieu of a 2024 levy for one project, resulting in a 2024-year-end total of \$357,891.

4. Assigned Funds Balances. In the past, the Commission has also acted to segregate or assign some of its unrestricted reserves to be held for a specific purpose, for example to fund the 4th Generation Plan. These funds may continue to be set aside to be used for these purposes or the Commission may elect to unassign the funds and transfer them to Unrestricted Reserves. One significant Assigned Funds account is the amount set aside from previously levied project funds specifically to complete years four (2023) and five (2024) of curly-leaf pondweed treatment on Bass and Pomerleau Lakes. Pomerleau has so far not seen any appreciable curlyleaf, so the work to delineate, permit, and contract for these treatments has been limited to Bass Lake. There were also funds reserved for completion of the 4th Generation Plan. Most of the expenses for 2024 will be attorney's cost for preparing the JPA update. At 2023 year-end, a total of \$60,813 has been set aside for these two tasks.

5. Unrestricted Reserve. The last category of funds is the Unrestricted Reserves, which is cash on hand that has not been designated for a particular use. This helps with monthly cash flow and is a "rainy day reserve" in the event something unusual occurs, or one of the member cities withdraws from the JPA and no longer is contributing its share of expected revenues. The Commission does not have a policy establishing a desired minimum balance, but Elm Creek WMO has adopted a policy to maintain a cash reserve equal to either 50% of annual operating revenues or five months of operating expenses. Using the 2024 budget, that minimum reserve balance would be the greater of the amounts \$168,750 (5/12ths yearly expenses) or \$202,500 (50% yearly revenue).



B. West Mississippi.

1. Restricted for Capital Projects. These are funds levied for specific capital projects. The Commission holds these funds until the member cities have completed the work and request reimbursement for their costs incurred. At the end of 2023, the Commission held no funds in the Restricted Capital Project account. An anticipated 2023 levy amount totaling \$150,000 will be deposited in the Restricted account in 2024, resulting in a 2024-year-end total of \$150,000.

2. Cost Share Projects. The Commission operates two cost share projects, one for city projects and one for partnership projects on private property. At 2023 year-end the **City Cost Share** account held \$462,747. Since this balance is sizeable, the Commission should consider not certifying a levy in 2024 unless a large potential project is identified.

The 2023 year-end balance in the West Mississippi **Partnership Cost Share** account is \$209,813, with an encumbrance for one project of \$75,000, for a total of \$134,813. An anticipated 2023 levy amount totaling \$100,000 will be deposited in the Partnership Cost Share account in 2024, resulting in a 2024-year-end total of \$234,813.

3. Closed Projects Account. The Closed Projects Account (CPA) houses levy funds that remain after reimbursing final project costs. At 2023 year-end this account held \$151,306 for three projects.

4. Assigned Funds Balances. In the past, the Commission has also acted to segregate or assign some of its unrestricted reserves to be held for a specific purpose. These funds total \$154,320 and may continue to be set aside to be used for these purposes or the Commission may elect to unassign the funds and transfer them to Unrestricted Reserves.

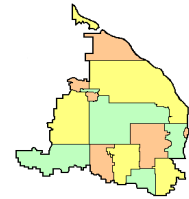
a. The **Subwatershed Assessments** account is funds that had been budgeted for the completion of those studies and totals \$40,000.

b. \$25,000 for **flood model updates** were set aside at the time Shingle Creek began updating its HUC8 model, pending more information from the DNR on similar flood modeling that agency was completing in West Mississippi.

c. The **Grant Match** funds account is funds previously set aside to help fund small projects and now totals \$89,320. Since the Commission has now established a Closed Projects account, these funds could be transferred to that account and restricted to capital projects and feasibility studies in advance of capital projects.

5. Unrestricted Reserve. The last category of funds is the Unrestricted Reserves, which functions the same as in Shingle Creek. Using the Elm Creek reserve policy, West Mississippi's minimum 2024 reserve balance would be the greater of the amounts \$77,200 (5/12ths yearly expenses) or \$113,326 (50% yearly revenue).

It was a consensus of the members to recommend that the City Cost Share and Partnership Cost Share items be included in the Shingle Creek 2024 CIP (pay 2025) and not in the West Mississippi 2024 CIP.



IV. INTEREST INCOME POLICY.*

At their June 2024 meeting, the Technical Advisory Committee (TAC) approved the annual operating budgets as presented and also recommended that the Commissions consider a policy for future use of interest income. The discussion centered on whether interest income should be used to lower member assessments or if it should be used for funding capital projects. The majority of the Commissions' interest income is earned from excess capital project funds that have been moved to the closed projects account.

Staff reached out to Bassett Creek WMO for their interest income policy, which states, in part, that

100% of the income from BCWMC long-term investments (e.g., 4M and 4MP funds) will be categorized as "unrestricted" funds and will be posted to a Special Projects Fund within the BCWMC Operating Budget Use of the Special Projects Fund will require approval by the Commission prior to the expenditure.

Based on discussion at the June meeting, the SCWM TAC members were in favor of a similar policy where interest income would be used for Commission capital projects, rather than other, routine costs. However, it is important to note that the Commissions annual operating budget always assumes some interest revenue is available to help pay for general operations. Interest revenue factored into the Commission budget can range from a hundred to a few thousand dollars. If the Commissions adopted a policy that interest only be used for capital projects, member assessments may need to increase slightly next year.

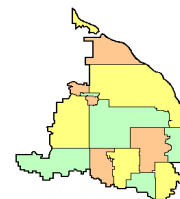
After further discussion it was a consensus that interest earned should be retained in the fund from which it was derived. Staff indicated that the earned interest for each fund could be annotated on the monthly Treasurer's Reports. This recommendation will be forwarded to the Commissions.

V. WATERSHED-BASED IMPLEMENTATION FUNDING (WBIF) UPDATE.

A. The WBIF convene group held their final meeting on July 22. The group reached consensus on projects to submit for WBIF funding. The chosen projects total \$343,961, which is the WBIF allocation for the two Commissions combined. The WBIF program requires a minimum of 10% match for projects - about \$28,000 for Shingle Creek and \$6,600 for West Mississippi. The match will be funded from the Commissions' closed projects accounts. A description of the chosen projects is below.

1. Hennepin County Conservation Specialist (\$46,000 from each watershed). Joint funding for this position will continue through FY2024-2025. The position is a limited duration position to provide water and natural resources education and outreach and technical assistance to residents that leads to implementation of conservation practices. Hennepin County will serve as the grantee for the WBIF funding.

2. Crystal and Twin Lakes Carp Management (\$150,000). Updating a carp



population estimate, plus one year of carp removals on Crystal Lake and two years of carp removals on Twin Lakes following the population study scheduled for this fall.

3. Chloride Reduction Actions (\$86,961). A suite of actions including funds for implementing a collaborative Chloride Management Plan and implementation actions, such as equipment, outreach and educational programming. Specific actions include:

a. Funding 25% of a new brining winter salt application system for the City of New Hope, which will help reduce the City’s annual winter salt use by 130 tons.

b. The Commission is applying for an Accelerated Implementation Grant for developing a Chloride Management Plan. If the grant is not awarded, WBIF funds will be used for both the plan and implementation.

c. Additional outreach and educational programming focused on winter chloride.

4. Lake Magda Subwatershed Study (\$15,000). Complete a survey and desktop subwatershed assessment identifying BMP opportunities in the Lake Magda drainage area.

B. Watershed allocations.

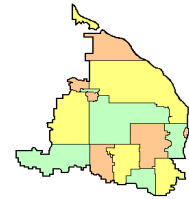
Project	Shingle Creek	West Mississippi
Hennepin County Conservation Specialist	\$46,000	\$46,000
Carp Management (Crystal & Twin)	\$150,000	
Chloride Reduction Actions	\$66,961	\$20,000
Lake Magda Subwatershed Assessment	\$15,000	
Total	\$277,961	\$66,000

It was a consensus of the members to recommend approval of these allocations.

VII. Applications for Board of Water and Soil Resources (BWSR) **Clean Water Fund (CWF) Grants*** are due by August 22. The program includes the availability of *Accelerated Implementation Grants* which aim to build capacity for local governments to accelerate on-the-ground projects that improve or protect water quality and perform above and beyond existing state standards for protecting and restoring water quality.

A. Joint Chloride Management Plan. At the July Commission meeting, the Commissions authorized Stantec to proceed with development of a grant proposal for a Clean Water Fund *Accelerated Implementation Grant*. Staff began developing the grant proposal for a joint chloride management plan between the Shingle Creek, West Mississippi, and Elm Creek WMOs. The management plan will include data analysis and source assessment, identifying stakeholders and their responsibilities, implementation strategies and goals, and how to assess progress. The current draft* of the proposal is included in the meeting packet.

A meeting with a volunteer advisory group will be held on August 13, 2024, to help further refine the grant proposal. The group will make sure that the grant application includes outcomes that will be most helpful to city staff. Staff will incorporate any desired edits and plan



to submit the proposal by the August 22 deadline.

B. Mississippi Riverbank Stabilization. The Commissions have previously submitted a CWF Projects and Practices grant for the Mississippi Riverbank Stabilization project in Brooklyn Park. The project has not been awarded in previous submittals, but the City of Brooklyn Park would like to submit the project to CWF again this year.

This grant request is to support Phase I of a multi-year project and will restore approximately 715 linear feet of river shoreline with the most severe erosion, reducing excess sediment to the river by 548 tons and TP by 506 pounds per year. The project scope includes final design, administration, and construction on up to seven non-profit and privately-owned properties, targeting stabilization of both the toe of the slope as well as mid-bank destabilization of groundwater seepages.

Phase I of the project was estimated at \$884,000 in 2022 with \$603,000 requested from the BWSR CWF and \$281,000 from local sources including the landowners (\$101,000), the city (\$40,000), Hennepin County (\$40,000), and the West Mississippi Commission (\$100,000). The project budget may increase for this resubmittal to account for changes in labor and material costs.

The Commission previously authorized the preparation of the application and the West Mississippi contribution of \$100,000. The memo is requesting endorsement of the City of Brooklyn Park to resubmit the application and confirm the \$100,000 watershed contribution for the project if it were awarded.

It was a consensus of the members to resubmit the application, with inclusion of a letter of support from the West Mississippi Commission. *[It was later learned that letters of support are not accepted with these applications.]*

VIII. Other Business.

A. Wolf expressed concern about the explosion of **curly leaf pondweed (CLP)** on Lower Twin Lake. Others indicated a preponderance of CLP on other lakes in the Shingle Creek watershed. Staff will develop a treatment plan for next year for presentation at the September TAC meeting.

B. The **next TAC meeting** is scheduled for 11:00 a.m., Thursday, September 12, 2024.

There being no further business, the TAC meeting was adjourned at 12:17 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Judie A. Anderson".

Judie A. Anderson
Recording Secretary

JAA:tim

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