June 17, 2013

Ginny Black, Chair Bassett Creek Watershed Management Commission 3400 Plymouth Boulevard Plymouth, MN 55447

Subject: Request for Dispute Resolution

Dear Chair Black:

In a letter dated August 20, 2012 (attached), The City of Golden Valley requested that the Bassett Creek Watershed Management Commission (BCWMC) provide mediation for dispute resolution for a storm water drainage issue involving the Cities of Crystal, New Hope and Golden Valley. This dispute involves recurrent flooding on Terra Linda Drive, Medicine Lake Road, Rhode Island Avenue, and the DeCola Ponds area.

Subsequently, the City of Golden Valley asked the BCWMC to place the mediation request on hold so additional discussions could occur between the three cities regarding this issue. Unfortunately, these discussions have been unsuccessful and no progress has been achieved regarding a second phase of the drainage study for the area.

As outlined in the August 20, 2012 letter, the dispute resolution process outlined in the BCWMC Watershed Management Plan calls for the chair or vice chair to appoint three commissioners or alternate commissioners from communities not involved in the dispute to provide mediation. The City of Golden Valley is therefore requesting that the BCMWC begin the process of mediation with the intent of resolving this issue.

Please feel free to contact Jeff Oliver, Golden Valley City Engineer (763.593.8034) or Jeannine Clancy, Golden Valley Director of Public Works (763.593.8035), if you have any questions regarding this matter.

Sincerely,

Thomas D. Burt City Manager

Enclosure

C: Golden Valley City Council
Jeannine Clancy, Director of Public Works
Jeff Oliver, PE, City Engineer
Stacy Hoschka, Golden Valley BCWMC Commissioner
David Hanson, Golden Valley BCWMC Alternate Commissioner
Kirk McDonald, City of New Hope City Manager
Guy Johnson, City of New Hope Director of Public Works
Anne Norris, City of Crystal City Manager
Tom Mathisen, City of Crystal City Engineer



August 20, 2012

Ginny Black, Chair Bassett Creek Watershed Management Commission 3400 Plymouth Boulevard Plymouth, MN 55447

Subject: Request for Dispute Resolution

Dear Chair Black:

The City of Golden Valley requests assistance from the BCWMC in resolving an intercommunity stormwater runoff dispute between the cities of New Hope and Golden Valley with the City of Crystal.

The <u>Bassett Creek Watershed Management Commission (BCWMC) Watershed Management Plan, September 2004 (Plan)</u>, Section 1.2 Purpose and Goals of BCWMC, Section 1.2.2 BCWMC Goals, (Page 1.3) states:

...The goals are to:

• Provide leadership and assist member cities with coordination of intercommunity stormwater runoff planning and design.

Furthermore, Section 12.1.1.3 Dispute Resolution Process, outlines the process for resolution of drainage issues between member cities. The contested intercommunity stormwater runoff issue involves runoff from all three communities that results in flooding near the intersection of Winnetka Avenue and Medicine Lake Road, as well as in the DeCola Ponds area located downstream of this intersection in the City of Golden Valley (see attached maps).

Background:

In recent years, flooding has occurred along and near Winnetka Avenue and Medicine Lake Road following significant rainfall events. These rainfall events resulted in flooding near Rosalyn Court, Terra Linda Drive, and the low point on Medicine Lake Road, which included flooding of the VFW building at the corner of Medicine Lake Road and Rhode Island Avenue. This area of concern is located upstream of the DeCola Ponds in Golden Valley. In 2006, the City of New Hope prepared a report for local flood improvements in Terra Linda area. Subsequent work by the City of New Hope resolved flooding problems for some homes in this area of New Hope, but flooding problems remain in Golden Valley and New Hope. The

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development of the DeCola Ponds subdivisions occurred in the mid-1960s and early 1970s. In 1978, a severe storm over the tributary watershed in the cities of Crystal, New Hope and Golden Valley resulted in significant flood damage to homes surrounding the ponds, with most of the damage occurring at the downstream ponds. Flooding has also occurred several times since 1978.

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In 1984, a settlement agreement between the City of Golden Valley and the residents around DeCola Ponds resulted in the installation of an outlet valve at the downstream pond that is controlled by the homeowners association. This valve allows the homeowners to draw down the normal water level of the pond in advance of storms to allow for additional storage of storm water runoff. However, even with the ability to control water levels, flooding has still occurred adjacent to the ponds. Under this agreement, the City of Golden Valley is responsible for maintenance of the ponds, including dredging of the ponds as needed.

Recent Study:

In January 2011, the City of Golden Valley retained the services of Barr Engineering Company to perform a flood mitigation study in the vicinity of DeCola Ponds, and in the area adjacent to Medicine Lake Road. This study identified a number of alternative measures to address the flooding in these locations. However, the study also recommended additional study of these alternatives and the consideration of other alternatives in the watershed, including the overall benefit and cost-effectiveness of each alternate solution.

During the study process, the cities of New Hope, Golden Valley and Crystal met several times to discuss the progress and findings of the study. These discussions identified the scope of the Phase 2 study, including cost sharing based upon the contributing area to the DeCola Ponds, the most downstream point in the sub-watershed. This issue was then discussed at a meeting of the three City Councils during the summer of 2012. Based upon the discussion at the joint City Council meeting, a cooperative agreement outlining the scope of the Phase 2 study and the cost sharing was developed and approved by the New Hope City Council. The Crystal City Council voted not to enter into the cooperative agreement for the Phase 2 study. Because Golden Valley was identified as the contracting agency, its City Council would consider the Cooperative Agreement and a contract with Barr to perform the Phase 2 study following approval by New Hope and Crystal.

As discussed above, the proposed cooperative agreement included cost sharing based upon tributary watershed. This cost sharing resulted in Golden Valley being responsible for approximately 50% of the study cost, with New Hope and Crystal each responsible for approximately 25% of the study cost. The cost to perform the Phase 2 study is approximately \$100,000. The City of Golden Valley funded the cost of the Phase 1 study, which cost approximately \$70,000.

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Request for Dispute Resolution:

Based upon the above discussion, the City of Golden Valley requests that the BCWMC mediate the proposed cost split for the proposed Phase 2 study. The Cities of Golden Valley and New Hope are willing to participate in the study costs based upon contributing watershed areas, while the City of Crystal has stated that it does not feel that it should be responsible for any of the study costs, or for any potential future costs to be determined to resolve the flooding issues.

The dispute resolution process outlined in the BCWMC Plan calls for the BCWMC chair (or vice chair) to appoint three commissioners or alternates from member cities who are not parties to the dispute. Golden Valley requests that the BCWMC follow this process and appoint three commissioners to evaluate the reasonableness of the proposed cost sharing for the Phase 2 study.

Please feel free to contact Jeff Oliver, Golden Valley City Engineer (763.593.8034) or Jeannine Clancy, Golden Valley Director of Public Works (763.593.8035) should you have any questions regarding this matter.

Sincerely,

Thomas D. Burt

City Manager

Enclosures

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