



Bassett Creek Watershed Management Commission

MINUTES

Budget Committee Meeting

Monday August 8, 2016

12:00 – 2:00 p.m.

Managers Conference Room, Golden Valley City Hall ~ 7800 Golden Valley Rd., Golden Valley MN

Meeting Attendees: Committee Chair McDonald Black, Commission Chair de Lambert, Commission Vice Chair Mueller (partial attendance), Commissioner Black, Administrator Jester, TAC Member Derek Asche (Plymouth)

Committee Chair McDonald Black called the meeting to order at 12:05 p.m. in the Council Conference Room at Golden Valley City Hall.

COMMITTEE RECOMMENDATIONS (see discussion below for further information):

- Approve 2017 Operating Budget totaling \$645,600 and city assessments as presented in “proposed budget” attached.
- Approve using Schaper Pond Diversion Project CIP funds for the Schaper Pond effectiveness monitoring project.
- Approve using Wenck Associates to perform 2017 routine lake monitoring.
- Approve using Barr Engineering for Sweeney Lake aeration study to be funded over two years.
- Approve receiving input and recommendations from the Technical Advisory Committee on a process and/or policy related to when and how to go through a “request for proposals” process.

1. Review Past Activities Regarding 2017 Budget

The committee reviewed past activities regarding the development of the 2017 budget including:

March 31, 2016: Budget Committee met to review and discuss budget items and a draft, proposed budget developed by the Administrator that included an 11.8% increase in assessments. The Committee agreed with most of the proposed budget items but directed the Administrator to gather estimates from firms in the engineering pool for the water monitoring activities.

April 14, 2016: Administrator sends [RFP](#) to firms in the engineering pool to get proposals on three separate proposed water monitoring activities in 2017: routine lake monitoring, Schaper Pond effectiveness monitoring, and Sweeney Lake aeration study.

May 5, 2016: Budget Committee met to review water monitoring proposals from [Barr](#), [WSB](#), and [Wenck](#) along with other new information. The Committee approved a request from the City of Plymouth to include \$35,000 in the budget as a placeholder for aquatic plant management or aquatic invasive species control, and recommended an increase in the budget line for the Administrator. The Committee finalized a recommendation for the Commission.

May 19, 2016 Commission Meeting: The Commission reviewed and discussed the Budget Committee's recommended [2017 operating budget and assessment to cities](#) and [water monitoring budget/consultants](#). The Commission requested input from the TAC on water monitoring activities and directed the Administrator to send the proposed budget totaling \$677,600 to cities for their input.

June 28, 2016: TAC met and discussed the water monitoring projects, budgets, and proposals from engineering firms.

August 1, 2016: Deadline for cities to submit comments, questions, concerns on the proposed 2017 operating budget.

2. Review TAC Recommendations on 2017 Budget for Water Monitoring Projects

The Committee reviewed the TAC's recommendations for budgets and engineering firms for water monitoring activities and compared those recommendations to the Committee's initial recommendation. (See table next page.) They discussed the objectives of the various water monitoring projects and the proposals from different engineering firms. Regarding the Schaper Pond effectiveness monitoring project, there was consensus that CIP funds from the Schaper Pond Diversion Project should be used for the monitoring project. There was discussion about the difference in estimated costs for the project from Barr Engineering (\$44,000) and Wenck (\$31,154), noting the TAC recommended using the Commission Engineer (Barr) for the project. Ultimately, the Committee deferred the decision on which firm to use because they propose to use CIP funding which does not impact the Operating Budget.

The Committee also discussed the TAC's recommendation to consider multi-year contract for routine monitoring to avoid annual RFP process. The Committee agreed that multi-year contracts would be preferable.

Project	5/19/16 Budget Cmte Recommendation	6/28/16 TAC Recommendation
Routine Lake Monitoring Perform routine monitoring of Sweeney, Twin, and Lost Lakes following BCWMC Monitoring Plan .	Wenck \$38,300	Wenck \$38,300
Sweeney Lake Study Originally, this was slated to be a study of the effect of aeration on the water quality of Sweeney Lake. In reviewing proposals, an alternative approach to understanding and addressing internal loading in Sweeney Lake was presented. Further, it was noted that data from the Schaper Pond Effectiveness Monitoring (see below) would be needed to complete analyses in Sweeney Lake. Thus, the total budget is split over two budget years (2017/2018).	Over the course of the next few months, the Commission, its engineers and possibly the TAC should determine what to study on Sweeney Lake. \$21,000 (2017) \$20,000 (2018)	Study effects of aeration. Golden Valley staff recommends using the Commission Engineer. \$21,000 (2017) \$20,000 (2018)
Schaper Pond Effectiveness Monitoring Monitor the effectiveness of the Schaper Pond Diversion Project (CIP Project SL-3). This project will repeat the monitoring performed during the feasibility study for the project including monitoring of two major inlets to Schaper Pond and the pond outlet to analyze changes in treatment capacity since the completion of the pond improvements. The Commission’s legal counsel concurred that this expense is allowed within the CIP budget because “the monitoring project directly relates to the CIP project for which the funds were raised, the costs do not exceed the amount originally raised for the project, and it is intended to test the effectiveness of the project.”	Wenck \$32,000 from CIP funds	Commission Eng. from CIP funds
Chloride Source Assessment The work includes watershed-wide spring snowmelt grab-sampling at stream locations, and analysis of WOMP continuous conductivity monitoring, combined with GIS mapping of potential hotspots for excess road salt application.	Commission Eng. \$5,000	Commission Eng. \$5,000
General Water Quality Tasks Items regarding water quality that arise but which cannot be foreseen at the time of budget development. Staff does their best to anticipate possible issues and the associated work that may arise. Possible work in 2017 includes bacteria source tracking, new water quality standards (e.g. tiered aquatic life use standards, stream nutrient standards, antidegradation rule updates, etc.), and combined surface water quality trend analyses.	Commission Eng. \$10,000	Commission Eng. \$10,000
TOTAL Recommended WQ Monitoring Budget	\$74,300 2017 Budget	\$74,300 2017 Budget

3. Review Comments from Cities on Proposed 2017 Budget and Assessment

The Committee reviewed input on the proposed budget and assessments received from cities by the August 1st deadline. Five cities provided comments:

- Golden Valley: No concerns with proposed budget and assessment.
- Robbinsdale: No concerns with proposed budget and assessment.
- Minneapolis: No concerns with proposed budget and assessment.
- Crystal: Funding infrastructure improvements and maintenance is a crucial role of the BCWMC. The Bassett Creek Watershed is a critical resource in our communities that requires constant maintenance and has significant long term liabilities. We have a responsibility to manage that resource responsibly and financially take the steps needed to do so.
- Plymouth: See attached letter and resolution objecting to the proposed budget and assessment.

Mr. Asche noted his concerns about the increasing budget and indicated the City of Plymouth is advocating for no increase in city assessments until better fiscal policies are in place. He indicated he is a proponent of getting proposals from different firms for distinct projects or programs and noted this practice is beneficial at the City and that he doesn't find the practice to be burdensome to staff. The Committee discussed Mr. Asche's recommendation to develop a distinct process for when and how requests for proposals would be solicited by the BCWMC. The Committee agreed that would be a good policy to develop and should start with a discussion at a TAC meeting. They also agreed there were core activities and operations that should be performed by the Commission Engineer and it was noted that proposals for larger projects (such as CIP projects) would be more likely to result in significant savings to the Commission.

Mr. Asche also noted that invoices and requests for payments should have a written recommendation for payment from the Administrator to ensure they have been reviewed. Administrator Jester noted that she does review each invoice before sending them to the Deputy Treasurer and will include a recommendation for payment in her future agenda memos.

4. Develop Final Recommendation on 2017 Operating Budget for Commission

The Committee reviewed Administrator Jester's recommended revised budget which included TAC recommendations to move funding for Schaper Pond effectiveness monitoring to the CIP budget. Administrator Jester noted the proposed budget results in a 2% increase in assessments to cities. The Committee discussed possible ways to further reduce the budget and assessments to cities, including Mr. Asche's recommendations to reduce the APM/AIS line item and eliminate the chloride source assessment project from the water monitoring activities.

After further discussion, there was consensus among Committee members that the proposed budget and a 2% increase in city assessments is appropriate.

5. Review Existing Commission Fiscal Policies

The Committee briefly discussed the policy related to keeping approximately 50% of annual operating costs in the fund balance. There were no recommendations for changing fiscal policies at this time.

6. Adjourn - The meeting adjourned at approximately 2:00 p.m.