

July 22<sup>nd</sup> 2016

Ms. Laura Jester  
Administrator  
Bassett Creek Watershed Management Commission  
16145 Hillcrest Lane  
Eden Prairie, MN 55346

SUBJECT: OBJECTION TO 2017 BUDGET AND MEMBERSHIP ASSESSMENT OF THE BASSETT CREEK  
WATERSHED MANAGEMENT ORGANIZATION

Dear Ms. Jester,

The City of Plymouth has received the proposed membership assessment for 2017 increasing our assessment by 7% from \$220,195.00 to \$238,901.00. While the Commission requests a 7% membership assessment increase, the Commission must do more work to develop or implement sufficient internal financial controls which would demonstrate to the City of Plymouth the cost effective use of our membership assessment. This letter and attachment(s) shall serve as a formal objection by the City of Plymouth to the 2017 Operating Budget and Membership Assessments proposed by the Commission.

The Commission regularly assigns no-bid work to the Commission's Engineer and the City understands there are times when this is the most practical and reasonable approach. There have been instances, however, where it was prudent for the Commission to put projects out to bid due to the size of expenditure. For example, the XP-SWMM Phase II modeling was approved on April 16, 2016 by the Commission for \$261,000 with no formal proposal and with no RFP process to ensure the Cities are receiving the best value for such a project.

Also, there have been examples where the Commission has realized measureable savings when bidding out work to other qualified engineers in a competitive environment rather than assigning work directly to the Commission's Engineer. Some examples include:

1. 2017 Water Quality Monitoring. The RFP process for this project has noted a potential savings to the Cities of over \$30,000 (\$152,000-Barr to \$113,878-Wenck) should the Commission move forward with the Wenck proposal.
2. 2013 WOMP Monitoring. The RFP process for this project resulted in a modest yet measurable savings to the Cities of \$8,680 (\$19,000-Barr to \$10,320-Wenck).

With proper financial controls and/or policies/procedures, it is likely the Commission would not have to raise its membership assessments in 2017. Prior to any current or future increases in membership assessments, at a minimum, the City of Plymouth requests implementation of additional policies or procedures or best practices such as the following:



1. *Requests for payment of invoices to the Commission shall only be approved upon a written recommendation, such as a staff report, from the Administrator that the invoices have been reviewed and are recommended for payment. Currently, there is no documentation that invoices have been reviewed by the Administrator and that they are ready for payment.*
2. *The Commission shall complete a request for proposals (RFP) process or receive quotes for the following budget line item activities: surveys and studies, water quality/monitoring, water quantity, and the watershed outlet monitoring program.*
3. *Any expenditure over \$25,000 shall go through an RFP or competitive quote process.*

Please feel free to contact me directly at 763-509-5526 or [dasche@plymouthmn.gov](mailto:dasche@plymouthmn.gov) with any questions.

Sincerely,



Derek Asche  
Water Resources Manager

enc: Resolution 2016-228 Objection to 2017 Membership Assessments of the Bassett Creek Watershed Management Commission

# CITY OF PLYMOUTH

## RESOLUTION No. 2016-228

### RESOLUTION APPROVING OBJECTION TO THE 2017 MEMBERSHIP ASSESSMENT OF THE BASSETT CREEK WATERSHED MANAGEMENT ORGANIZATION

WHEREAS, the City of Plymouth is party to the Amended Joint and Cooperative Agreement for the Establishment of a Bassett Creek Watershed Management Organization to Plan, Control, and Provide for the Development of Bassett Creek; and

WHEREAS, members are required to pay annual membership assessments to a general fund for general administration purposes; and

WHEREAS, the Bassett Creek Watershed Management Organization has proposed a 7% increase in the membership assessment to the City of Plymouth for 2017; and

WHEREAS, any member may object to the proposed budget and membership assessment by August 1 of each year.

NOW, THEREFORE BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLYMOUTH, MINNESOTA, that the objection to the 2017 membership assessment is hereby approved.

BE IT FURTHER RESOLVED that the City of Plymouth requests implementation of additional policies or procedures or best practices to ensure cost effective use of membership assessments prior to any current or future increases to membership assessments.

APPROVED by the City Council on this 12th day of July, 2016.