

**CITY OF SHOREVIEW
AGENDA
CITY COUNCIL WORKSHOP
NOVEMBER 21, 2011
IMMEDIATELY FOLLOWING REGULAR COUNCIL MEETING**

1. ROLL CALL
2. GRASS LAKE WATER MANAGEMENT ORGANIZATION
UPDATE
3. OTHER ITEMS
4. ADJOURNMENT

TO: MAYOR, CITY COUNCIL, AND CITY MANAGER
FROM: MARK J. MALONEY, PUBLIC WORKS DIRECTOR
DATE: NOVEMBER 15, 2011
SUBJ: GLWMO UPDATE

The Grass Lake Water Management Organization (GLWMO) is scheduled to address the City Council on topics relating to their governance structure as well as the potential financial impacts on the City. The need to address the governance structure and financing of the organization is a direct result of the updating their Management Plan. The updated Management Plan will require revisions to the Joint Powers Agreement between Roseville and Shoreview as well as identifying funding alternatives necessary to fund their plan activities for the next 10 years.

GLWMO Background

The GLWMO was created in 1983 through a Joint Powers Agreement (JPA) between the cities of Roseville and Shoreview. The jurisdictional boundary of the WMO is shown on the attached map. The creation of the WMO was in response to State Statute 103B and Rules 8410 that directed that all of the Twin Cities Metro Area would have some form of watershed-based governance. The two ways that was accomplished was by either an agreement (JPA) of cities that created a Water Management Organization, or by County-created Watershed Districts. Similar to local units of government, WMOs and Watershed Districts are required to develop and implement Water Management Plans, and identify their fund sources. The Board of Water and Soil Resources (BWSR) is the state agency with the responsibility of oversight of WMO/Watershed Districts, and management plans are subject to their approval.

There are examples of both WMOs and Watershed Districts in and around Shoreview; Rice Creek Watershed District, Ramsey-Washington Metro Watershed District, Vadnais Lakes Area Water Management Organization, etc. While the statutes and rules essentially give WMOs and Watershed Districts the same responsibilities, there are some very important distinctions. Whereas the Board members of WMOs are typically appointed by the City Councils of the communities, Districts Boards are created by County Board appointments. In most cases, the funding for WMOs comes from City sources (e.g. storm water utilities), but Districts have ad valorem taxing authority. In cities like Roseville and Shoreview, where both types of watershed management groups exist, residents within the jurisdiction of a Watershed District are also paying (via the City's storm water utility) for water management services/governance in a separate WMO area. The Vadnais Lake WMO, an adjacent six-city JPA that includes Vadnais Heights, North Oaks et. al. developed their own funding mechanism (independent of their member cities) through special State Legislation that allows them to operate their own storm water utility that uses the County Property tax system for collection.

At 9.0 square miles, GLWMO is by geographic area one of the smallest organized watersheds in the State of Minnesota. At the time of creation of GLWMO, the Cities of Roseville and Shoreview were seeking the lowest cost and least bureaucratic approach to meeting the requirements of the statutes and rules. Roseville has acted as the official Treasurer for the WMO, and the Public Works Directors of the cities alternated the responsibility for administrative support through 2008. Needless to say, much has changed in the world of surface water management since 1983, and the expectations of both the regulatory agencies and the public have advanced far beyond what was envisioned at the time of GLWMO's creation. While there is potentially much in common between the long range objectives of the WMO and the member cities, the priorities typically differ and the Public Works representatives can't effectively advocate both a watershed position and a city position. GLWMO currently contracts for independent Administrative and Engineering services and will continue need to do so in the future.

Given how complicated (and expensive) surface water management has become, there are legitimate concerns regarding the effectiveness of water management organizations in Minnesota. Amid concerns for the major water resource in the area (McCarron's Lake) the 40 square mile Capitol Region WMO, which included southern Roseville, was dissolved and replaced with a Watershed District with taxing authority in 1996. As regional water management continued to distance itself from what local government could be expected to provide, the topic was brought before the State Legislature. In 2007, the Office of the Legislative Auditor delivered a 107-page report detailing their findings regarding water management models. Attached is the cover letter to the report, which succinctly states the nature of the concern, and the Recommendation section of the report. It is clear that the State's Board of Soil and Water Resources (BWSR) is implementing many of the recommendations of the report and holding all WMO's to standards that they may not have been acknowledged in the past. The report underscores the inherent difficulty for small water management organization to exist and legitimately questions their ability to protect the water resources in their jurisdictions given their reliance on city support.

In the current review of GLWMO's draft management plan, BWSR is requiring that the JPA between Roseville and Shoreview be amended to be explicit regarding the autonomy of the WMO's budget process and spending, regardless of fund source. This essentially sets up the scenario that the cities are required to provide the WMO funding without any direct authority over setting or approving budgets or spending priorities.

Funding Concerns

Per the existing JPA between Roseville and Shoreview, GLWMO establishes its own budget and divides the request equally between the two cities. It was reported to the City Council earlier this year that Shoreview's portion of the GLWMO proposed budget was estimated to increase from \$30,000 to \$150,000 annually for the next 10 years. Since the staff has now conducted a more thorough review of the implementation portion of the draft GLWMO Management Plan, it appears that some of the project costs and/or assumptions for City cost participation may be understated. If the JPA continues as amended per BWSR's requirements, there would be

additional financial impact on the member cities. In addition, GLWMO is now proposing a work plan that anticipates a major Plan amendment in 3 to 4 years which would in all likelihood require further increases in their budget and, correspondingly, the City's financial responsibility.

The concept of continuing to use the City's Storm Water Utility, with a rate specific to the GLWMO budget within the Grass Lake Water Management area, was discussed with the City Council earlier this year. That discussion occurred prior to the detailed analysis of the implementation portion of the draft WMO Plan and WMO's Governance Task Force process. Further, it has become clearer that the JPA revisions required will severely limit the amount of influence the City could hope to have on the WMO budget. At this time, based on a number of concerns held by staffs of both Roseville and Shoreview, it isn't clear that it would be in the City's best interest to pursue that option as a funding mechanism.

GLWMO Status

GLWMO's Watershed Management Plan is technically out of date and is in the process of being updated; the GLWMO Board and their consultant have been processing the results of the public and agency comments received. At the same time, a GLWMO Governance Task Force has been studying the alternatives available for the management of water resources in the jurisdiction. Those options include 1) trying to continue to exist as a WMO through a revised JPA; 2) to dissolve and seek to be combined with the Vadnais Lake Area WMO; or 3) to dissolve and be included in the jurisdiction of an adjacent Watershed District, most likely Ramsey-Washington Metro Watershed District. The GLWMO Board members are scheduled to comment on the outcome of that analysis, and as noted in the attached report, are advocating to remain an independent WMO (Option 1). It should be noted that there appears to be significant differences of opinion amongst the Task Force and Board members on this recommendation.

There are a number of practical implications to this deliberation, as well as a timing issue concerning the fact that the Shoreview City Council is responsible for the appointment of two GLWMO Board members by January, 2012. BWSR has indicated that it cannot complete its process of review and approval of the draft Management Plan unless and until the Cities approve the updated JPA, which the cities have concerns over. The City shouldn't move forward on the appointment of GLWMO Board members if the either Roseville or Shoreview City Council isn't agreeable to the proposed JPA changes, in which case the WMO would likely be dissolved by subsequent actions of the cities and BWSR.

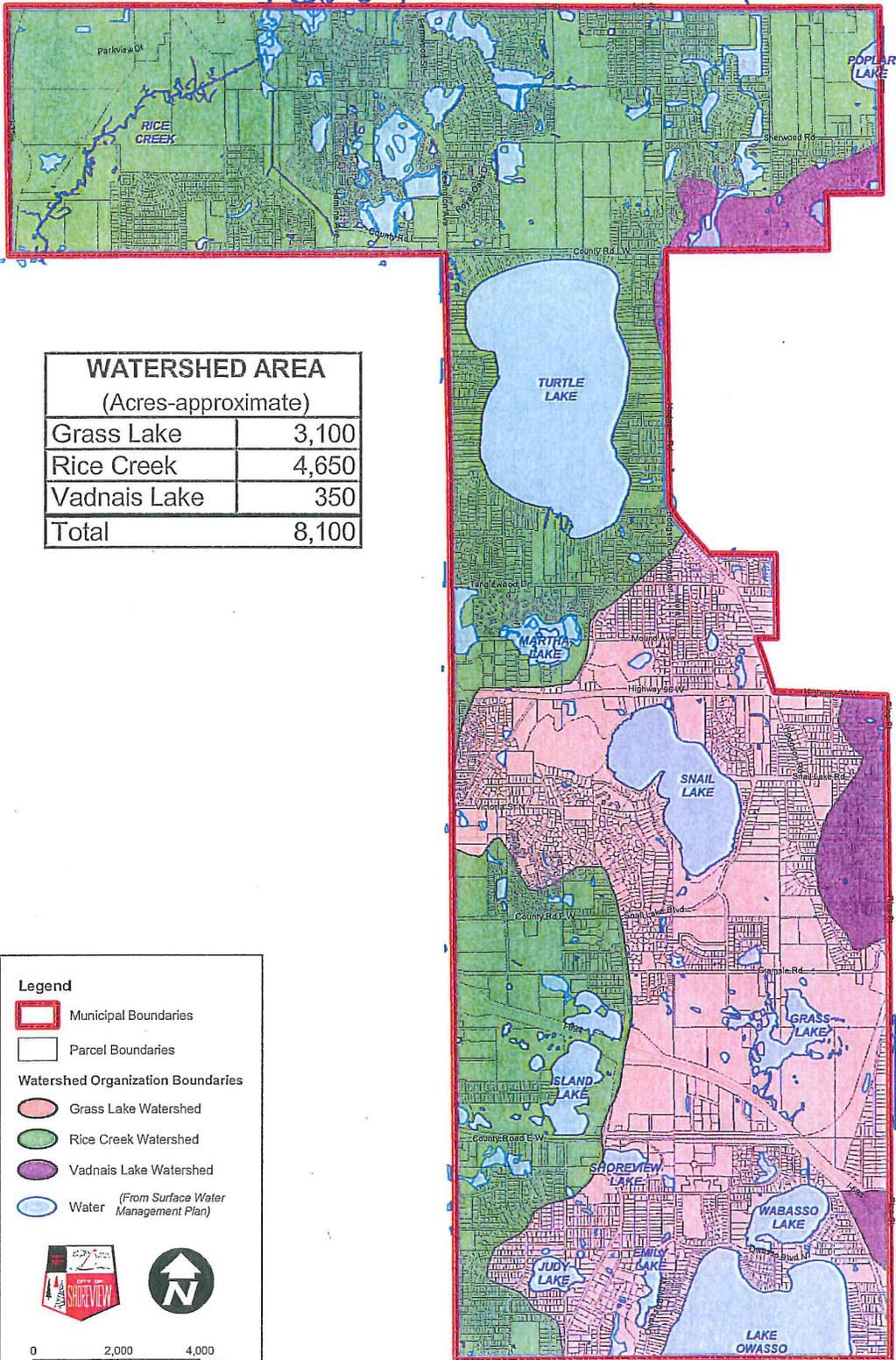
City Staff Observations

A WMO relying on a joint powers agreement arrangement, with the member cities primarily being responsible for providing the funding seems the least likely to have success given the complexities and costs of adequately addressing water quality concerns. Vadnais Lakes Area WMO addressed these challenges through special legislation that created an independent funding source. While their member cities are still responsible for Board appointments, the cities themselves have no authority to set or approve the WMO's budget or spending priorities. The

concept of “local control” doesn’t seem to be applicable to regional water management principles as embodied in State Statutes and Rules.

The consideration of the current GLWMO jurisdiction being absorbed into Vadnais Lake Area WMO is problematic for at least two reasons. While there may be a hydrologic connection between the water bodies in the two jurisdictions, it cannot be presumed that the existing 6 city JPA would easily be amended to include the cities of Roseville and Shoreview. It would likely be a lengthy and intensive process to get the 6 diverse cities to agree to the change, with any one essentially having veto authority over the changes. Further, it isn’t clear whether the authority VLAWMO received through special legislation for funding would automatically extend to the newly added areas of Roseville and Shoreview. Therefore, a significant amount of research would need to be done, without any assurance that it could actually end up being an effective governance model for the water resources in the GLWMO jurisdiction, e.g. Snail Lake, Lake Wabasso, Lake Owasso.

Given the recent trends, it seems almost inevitable that water resources in small WMO’s like Grass Lake would be best served by the resources, expertise and funding authority inherent to a Watershed District.



WATERSHED AREA (Acres-approximate)	
Grass Lake	3,100
Rice Creek	4,650
Vadnais Lake	350
Total	8,100

Legend

- Municipal Boundaries
- Parcel Boundaries
- Watershed Organization Boundaries**
- Grass Lake Watershed
- Rice Creek Watershed
- Vadnais Lake Watershed
- Water (From Surface Water Management Plan)




0 2,000 4,000
Feet

SOURCES:
City of Shoreview Community Development Dept,
and MetroGIS.



January 2007

Members of the Legislative Audit Commission:

Water is one of Minnesota's most important resources. Protecting water from the impacts of agricultural, commercial, and residential activities and development is an essential government responsibility. That responsibility is shared by a complex array of local, state, and federal organizations. This evaluation was prompted by concerns that some of the government organizations established to protect Minnesota's water resources are not functioning effectively.

We confirmed many of those concerns. While we found hardworking people dedicated to protecting Minnesota's lakes, streams, and wetlands, we also found that some local water management entities have struggled to carry out their duties. We also found that the Minnesota Board of Water and Soil Resources (BWSR), the state agency primarily responsible for overseeing these local entities, has not adequately held them accountable for fulfilling their goals. We recommend that the Legislature restructure BWSR, give it more authority, and require it to play a stronger role in protecting Minnesota's water resources.

This report was researched and written by John Patterson (project manager), Jan Sandberg, and David Kirchner. BWSR and the numerous local watershed management organizations we contacted cooperated with our evaluation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Nobles', written in a cursive style.

James Nobles
Legislative Auditor

RECOMMENDATIONS

To improve the oversight of local water management entities, we make the following recommendations.

RECOMMENDATION

The Legislature should require BWSR to provide greater oversight of local water management entities and hold each of them accountable for their performance. Specifically, the Legislature should require BWSR to:

- 1. Establish performance and operational standards for watershed districts, WMOs, SWCDs, and counties;*
 - 2. Collect performance, financial, and activity data from each entity;*
 - 3. Monitor the performance and operations of the entities and compare them with the established performance and operational standards; and*
 - 4. Release public assessments of each entity's performance.*
-

We are not recommending specific standards because we believe that BWSR is in a better position to establish these standards. The agency works with local water management entities on a regular basis and understands its own and the entities' capacities.

BWSR needs to establish performance standards.

Establishing performance and operational standards will be challenging for BWSR. The standards will have to be consistent and fair but also flexible enough to take into account the different circumstances of each local entity. For example, some entities have significant local resources to address their watershed management issues, while others do not. Some entities will only need to carry out relatively simple projects to address their water problems, while others will have to take on complex and costly projects.

At a minimum, BWSR should hold local water management entities accountable to the goals and objectives that these entities establish for themselves in their management plans. In these plans, the local entities articulate the goals and objectives they would like to achieve over the next five to ten years and the actions they will pursue to achieve them. BWSR could formally establish these locally-defined goals and objectives as performance and operational standards that need to be met. BWSR reviews and approves these management plans before they go into effect.

However, as we discussed in Chapter 3, BWSR's oversight largely stops after it has approved the plans. It does not systematically track the activities and performance of the local water management entities or hold them accountable to the goals and objectives that they have set for themselves. BWSR needs to go further. It needs to track the activities of the local entities and determine whether they are achieving their own goals and objectives. On a periodic basis (such as every two or three years), BWSR could issue assessments of each entity. The assessment could be as simple as (1) "making adequate progress toward

BWSR should respect local goals but also pursue state-defined objectives.

achieving goals and objectives,” (2) “struggling to make adequate progress,” and (3) “failing to make adequate progress.”¹

We think that BWSR can and should do more than just use the locally-defined goals and objectives as the standard against which the local entities will be assessed. BWSR should establish state-defined standards that local entities are expected to meet.² Ideally, these standards should establish specific outcomes (such as water quality improvements and flood risk reductions) that need to be achieved. With respect to water quality, the TMDL process should facilitate the establishment of outcome-based standards. For example, if a TMDL report determines that phosphorus loading along a stream segment needs to be reduced by 50 percent, the local entities that manage the water that flows into that stream segment should be expected to meet that goal.

Establishing and enforcing outcome standards will be difficult for two reasons. First, it can take years for positive outcomes to become apparent. For example, even if a local water management entity significantly reduces the level of phosphorus getting into a lake, the level of phosphorus in the lake water may not decline for a long time. Phosphorus accumulates in the sediment at the bottom of polluted lakes and is recycled back into the water over time. Even if a water quality program reduces the level of new phosphorus entering the lake, the lake bottom will continue to add phosphorus to the water over time. Second, it can be difficult to attribute positive or negative outcomes to a specific entity, program, or project. As we have discussed throughout this report, multiple entities often implement multiple programs and projects to manage a single lake or stream. It is difficult to apportion credit for outcomes among these entities, programs, and projects. In addition, human activities that are not entirely within the control of local water management entities, such as development, affect water quality and flood risk.

Even with these concerns, outcome-based assessments are possible. For example, to measure the impact of a water quality project along a stream, a local water management entity could measure water quality above and below the project site at two different times – before and after the project. These measurements would help isolate the impact that the project had on pollutants getting into the stream. However, this type of outcome-based assessment requires extensive monitoring, which can be expensive.

If outcome-based assessments and standards are not feasible, BWSR could establish operational standards. For example, we found that struggling local entities appear to devote a large share of their resources to planning and general administration. BWSR could establish a standard for the maximum amount that should be spent on these activities.³ If a standard of this type is established, some

¹ To ensure that the local management entities are establishing goals and objectives that are adequate, BWSR needs to ensure that its standards for reviewing and approving local water plans are set sufficiently high. In this evaluation, we did not evaluate the adequacy and rigor of BWSR’s current standards.

² There could be different standards for each type of entity. For example, watershed districts could have one set of standards, while joint powers WMOs could have another.

³ The standard for the maximum amount that should be spent on planning would need to be adjusted upward when a local entity is establishing or updating its management plan. In addition, BWSR would have to develop (1) a detailed definition of planning and general administration expenditures and (2) a mechanism for accurately reporting expenditures to BWSR.

BWSR should periodically assess the performance of local water management entities and make the assessments public.

flexibility should be added. There may be perfectly acceptable reasons why a watershed district, WMO, or SWCD is spending a large portion of its funds on general administration and planning. BWSR may want to use the standard as a threshold that triggers further inquiry. For example, BWSR may want to examine more closely the operations of any watershed district that devotes more than 50 percent of its funds to general administration.

Because local entities operate in very different circumstances, BWSR may want to develop “peer groups” when assessing performance. For example, one group could include watershed districts that operate in agricultural areas and are primarily concerned with water quality issues. BWSR could then establish separate performance and operational standards that reflect the particular circumstances of each group.

Citizens, legislators, and executive branch officials are entitled to more consistent reporting on the performance of local management entities. Public assessments would increase awareness of Minnesota’s watershed management system. Local stakeholders could use the assessments to hold underperforming local entities accountable, and entities that perform well would be able to make a stronger case for local support.

To ensure effective implementation of this recommendation, the 2007 Legislature should require BWSR to report back to the 2008 Legislature on the performance and operational standards and measures that it has developed.

RECOMMENDATION

The Legislature should require BWSR to identify and propose to the 2008 Legislature additional enforcement tools that it will need to encourage and compel consistently low-performing watershed districts, WMOs, SWCDs, and counties to improve their operations and performance. The Legislature should then give BWSR the authority to use these additional tools.

As we discussed in Chapter 3, if a local water management entity is performing poorly, BWSR has limited authority to hold it accountable, particularly in outstate Minnesota. The actions that BWSR can take against low-performing entities vary between the metropolitan area and outstate Minnesota. In outstate Minnesota, BWSR has two options: it has the authority to withhold grant funding (if the entity receives grants) or terminate the entity. As we discussed in Chapter 3, BWSR’s authority to terminate entities is limited.⁴ In the metropolitan area, BWSR can take additional action against watershed districts and WMOs. For example, if BWSR determines that a watershed district or WMO in the metropolitan area has not implemented its management plan,

⁴ Under state law, BWSR has the authority to terminate watershed districts, WMOs, and SWCDs, but it does not have the authority to dismantle counties. In addition, BWSR is not able to take unilateral termination action unless a joint powers WMO fails to create or implement a management plan (*Minnesota Statutes* 2006, 103B.231, subd. 3b – 3c). To terminate a watershed district, BWSR must first receive a petition from citizens or local units of government asking for the entity to be terminated (*Minnesota Statutes* 2006, 103B.221 and 103D.271). To terminate an SWCD, BWSR must first receive and review the results of a locally passed referendum that calls for the termination of the SWCD (*Minnesota Statutes* 2006, 103C.225, subd. 1-4).

BWSR can ask other state agencies to stop issuing water-related permits within the watershed.⁵ Across the state, we believe that BWSR should have the discretion to pursue a wider range of enforcement actions, so that the agency can provide assistance or impose penalties as warranted by a particular situation.

We are not recommending specific enforcement tools because we believe that BWSR is in a better position to identify them. However, we are particularly concerned about the lack of authority that BWSR has over outstate watershed districts, especially those that do not receive any funding from BWSR. Other than approving their management plans and having the authority to terminate them, BWSR has little authority over outstate watershed districts.

RECOMMENDATION

The Legislature should change the governing structure of BWSR. Specifically:

1. *The agency should be administered by a director who is appointed by the Governor and confirmed by the Senate; and*
 2. *The BWSR board should change from a governing board to an advisory commission.*
-

The Legislature should change BWSR's governing structure to make it a more effective executive branch agency.

Under current law, BWSR is governed by a 17-member board. While the Governor appoints the members, nine of them (a majority) must represent counties, SWCDs, watershed districts, and WMOs.⁶ The board sets policy and chooses the agency's executive director.⁷ We think this structure should be changed.

We anticipate that some people and organizations—including BWSR—will probably oppose these changes. They believe that BWSR should be structured as an “advocacy organization” that brings together the various state and local entities and interests to discuss and resolve issues before state action is taken. They have told us often that BWSR is “unique” and should not be organized like other state agencies.

We agree that BWSR has produced good results in some areas. In addition, we did not find evidence that board members have acted inappropriately to overtly impede BWSR's executive director or staff. Nevertheless, we think the water issues facing the state could be more effectively addressed if BWSR was more accountable to elected state officials.

BWSR will certainly have to continue to work closely and cooperatively with local water management officials, but we think it should also be better equipped and more willing to take prompt and effective action when local water management entities are not adequately protecting the state's water resources. We think that kind of action is more likely if the head of BWSR is appointed by the Governor and confirmed by the Senate.

⁵ *Minnesota Statutes* 2006, 103B.231, subd. 3g(3).

⁶ *Minnesota Statutes* 2006, 103B.101, subd. 2.

⁷ *Minnesota Statutes* 2006, 103B.101, subd. 4.

In addition, we do recommend keeping a forum for local water officials to offer their perspectives and advice to the head of BWSR, but their role should be advisory. We simply do not think a state agency should be run by a multimember board that is controlled by local officials, particularly an agency charged with protecting such an important state resource. In short, we think the state should manage its responsibilities for water resources like it manages all other key responsibilities – transportation, education, human services, and natural resources – with ultimate accountability to the Governor and Legislature.

RECOMMENDATION

The Legislature should ensure that BWSR has adequate resources to perform its new oversight responsibilities.

BWSR may need additional authority and resources to ensure that local water management entities perform effectively.

Our evaluation did not include an overall assessment of BWSR's operations to determine whether the agency could assume the additional oversight responsibilities that we have recommended with existing resources or whether the Legislature would need to appropriate additional funds. However, it is possible that BWSR will need additional resources. As we described in Chapter 4, BWSR has lost more than 10 percent of its internal resources and staff over the past six years without a reduction in responsibilities. If BWSR needs additional funds to perform its new responsibilities and the Legislature continues to fund the Clean Water Legacy Act, the Legislature may want to direct a small portion of these funds to BWSR for its oversight responsibilities. As we discussed in Chapter 4, a significant portion of the funds for the Clean Water Legacy Act will likely go to local water management entities. Consequently, the state needs to ensure that these entities are operating effectively.

POLICY OPTIONS

As we described in Chapter 1, Minnesota manages its watersheds through the combined actions of a complex network of state and local agencies working cooperatively with the federal government. The recommendations we made above are directed toward improving the performance of the current system in Minnesota. However, the state has several other options for improving performance and accountability, some of which would be a dramatic change.

In the following sections, we examine some of these other options. We present them as policy options without recommendation and identify some potential advantages and disadvantages of each option. It is unclear from the evidence that we gathered whether the identified advantages would outweigh the disadvantages.

Sunset Provisions

As we have discussed, outstate watershed districts are independent and often face little accountability from the state. They have appointed rather than elected boards, have independent taxing authority, and are generally not reliant on grants. Thus, after BWSR has approved the districts' management plans, the only authority that the state has over them is the threat of termination. However, under current law, terminating an outstate watershed district is an extended

Under current law, it can be difficult to terminate an outstate watershed district.

process that requires considerable effort by local citizens. Opponents of the district must collect the signatures of 25 percent of the resident homeowners on a termination petition. Only after this condition is met will BWSR hold a hearing to determine whether the district benefits the public interest.⁸ Short of legislative action, there is no state-initiated way to terminate a watershed district.

Outstate watershed districts could be held accountable through a statutory sunset provision that would require them to be reauthorized periodically in order to continue operations. The sunset provision could be structured in several different ways. For example, reauthorization decisions could be made by BWSR, by county boards, or through a referendum. Requiring regular reauthorization could improve the accountability of watershed districts by requiring them to justify their value at regular intervals.

However, a requirement for regular reauthorization could reduce the effectiveness of watershed districts by discouraging them from carrying out necessary but controversial actions. Watershed districts' independence may allow them to make unpopular decisions and remain somewhat insulated from the political process. Making watershed districts more accountable to voters and county boards will reduce their independence. Furthermore, a sunset provision might make long-term planning by state and regional agencies more complicated, since there would be less certainty about the long-term stability of important local partners. Finally, sunset proceedings may be time consuming and disruptive for all of the parties involved.

Selection of Board Members

Watershed districts and SWCDs have different methods for selecting board members. Watershed districts have regulatory and levy authority, but they are not directly accountable to voters because their board members are appointed by county boards and not elected. In contrast, SWCDs have no real authority other than the ability to distribute funds and staff resources. Yet, their boards are elected. We considered two possible alternatives: (1) elect, rather than appoint, watershed district board members, and (2) appoint, rather than elect, SWCD board members (particularly in metropolitan counties).

Election of watershed district board members would make districts more accountable to their constituencies. The election process could also increase the visibility of districts. However, as noted above, a possible advantage of watershed districts is that they have the autonomy to make necessary but politically unpopular decisions. Another possible consequence of a shift to elected boards could be greater difficulty in recruiting prospective board members, who may be reluctant to go through the campaign and election process.

Furthermore, elected boards do not necessarily increase accountability or improve performance. As described in Appendix A7, the Hennepin SWCD was considered "one of the best" in the state in the 1990s. But in November 2000, a former employee who had been fired was elected to the district's board, and board meetings rapidly became contentious. The other board members even brought lawsuits against the new board member, charging that she had publicly

There are good arguments for and against electing board members to local water management entities.

⁸ *Minnesota Statutes* 2006, 103D.271.

disparaged the district. The new board member countersued. In response to fears that continuing turmoil and dysfunction would prevent the conservation district from carrying out its duties, Hennepin County withdrew all funding from the district in 2003 and took over many of its duties.

Several people we interviewed in the metropolitan area suggested that SWCD board members should be appointed rather than elected because the election in highly populated counties is nothing more than a lottery. They contend that the races have low visibility and candidates do not have the funding to inform the large numbers of voters about their qualifications and ideas. In the most populous counties, the barriers to adequate voter education are particularly large. Each candidate for the Hennepin SWCD appears on the ballot in part or all of 32 legislative districts. On the other hand, some people that we interviewed argued that there were advantages to having a separately elected board. SWCDs with an elected board are independent of the county and may be better able to interact with the landowners who elected them.

Eliminate WMOs

As we discussed in Chapter 1, WMOs exist only within the seven-county metropolitan area. The 1982 Metropolitan Surface Water Management Act requires that all land within those counties be under the jurisdiction of a WMO or a watershed district.⁹ Previous studies have found that WMOs are generally less effective than watershed districts.¹⁰ While our study did not closely examine all WMOs in the metropolitan area, our observations were generally consistent with these earlier studies.

The Legislature may want to replace watershed management organizations with watershed districts.

The Legislature could eliminate the WMO model, replacing all WMOs with watershed districts. This would simplify the system by mandating only one organizational type. Critics of joint powers WMOs contend that they are weaker than watershed districts because they are governed by a joint powers board, which is subject to parochial infighting. These critics contend that some WMO board members vote in the interest of the city or township that they represent rather than in the interest of the overall watershed. Because counties appoint the boards of the watershed districts, the converted organizations would potentially be less prone to such internal conflicts.

However, a wholesale elimination of all WMOs may not be a good idea. It would eliminate not only the struggling WMOs but also effective WMOs, such as the Bassett Creek Watershed Management Commission (see Appendix A3). Another approach would be to lower the threshold for disbanding poor performing joint powers WMOs. Under current law, if a joint powers WMO fails to implement a watershed management plan in accordance with BWSR rules, BWSR can effectively terminate the WMO by forcing the county to

⁹ *Minnesota Statutes* 2006, 103B.231, subd. 1.

¹⁰ Kathryn Joanne Draeger, *Defining and Evaluating Watershed Organizational Effectiveness* (A doctoral thesis submitted to the University of Minnesota, September 2001), 55, 58, and 106-110; and Washington County, *Report for Water Governance Study, Washington County, Minnesota* (Stillwater, 1999), 20, 23-24, and 33.

assume its management or turn it into a watershed district.¹¹ However, because BWSR has not set clear standards for performance, its ability to declare that a WMO is not implementing its plan is somewhat ambiguous. BWSR's rules do not define what non-implementation means. As an alternative to eliminating all WMOs, BWSR could more clearly indicate that weak performance by WMOs would be grounds for county takeover or replacement by a watershed district.

In addition, the weak performance of WMOs may not be entirely due to the joint powers organizational structure itself. It may have more to do with how they were created. Unlike joint powers organizations in outstate Minnesota, which were created at the initiative of the local entities that comprise the organization, the state created some of the joint powers WMOs from the "top down" with the passage of the Metropolitan Surface Water Management Act.¹² The state-created WMOs may struggle because they lack local commitment to watershed management. In contrast, the Bassett Creek Watershed Management Commission, a locally-created WMO, has been successful. This WMO was created long before the Metropolitan Surface Water Management Act by local officials who saw the need for an effective organization to address an identified water management problem. (See Appendix A3 for more details on Bassett Creek.)

Consolidation at the Local Level

One of the characteristics of Minnesota's current watershed management system is a complex network of authorities that have jurisdiction over the same geographic area. Counties, SWCDs, WMOs, and watershed districts all make decisions that can affect the quality and quantity of water in a watershed. The watershed management functions of all of these separate entities could be combined into a single watershed-based local entity with regulatory and levy authority. Less ambitiously, the state could merge SWCDs into county governments.

Consolidation at the local level would simplify the current structure but create other management challenges.

The argument in favor of consolidation into a single local entity is that it would streamline local government, making it easier to understand, coordinate, oversee, and hold accountable. It would also centralize decision-making at the watershed level, creating an entity designed to balance upstream and downstream needs and preferences.

However, consolidation within watershed boundaries would also create a number of management and coordination challenges. Currently, in most parts of the state, water and land-use planning are both done at the county level. Under this option, water planning would be done on a watershed basis throughout the state, but land-use planning would likely remain a county function. Placing water management within a different type of jurisdiction than land-use planning would likely create new coordination issues.

Furthermore, although some federal environmental agencies have emphasized watershed-based management, the U.S. Department of Agriculture continues to

¹¹ *Minnesota Statutes* 2006, 103B.231, subd. 3b - 3c. If a WMO fails within Hennepin or Ramsey counties, a watershed district must be created. The county cannot take over the functions of the joint powers WMOs.

¹² *Minnesota Statutes* 2006, 103B.231, subd. 1.

administer its programs on a county basis. In most counties, the U.S. Natural Resources Conservation Service and SWCD offices are located in the same building and closely coordinate their activities. They frequently share office space, equipment, and even staff. If Minnesota were to carry out soil and water conservation activities on a watershed basis, this coordination and sharing could be lost or drastically reduced. This is important because our analysis shows that in 2005 the Natural Resources Conservation Service spent \$63 million on water and soil related activities in Minnesota.

Merging SWCDs into counties would not present the same difficulties as consolidation into watershed jurisdictions. There is some precedent for merging SWCDs with counties in Minnesota. Six counties have functionally merged SWCDs into their government structure, and about half of Minnesota's counties already delegate their county water planning responsibilities to SWCDs.¹³ However, a separate local entity with specific responsibility for conservation issues may increase the visibility of environmental issues at the local level. SWCD boards may be more likely to attract candidates with a strong environmental focus than county commissioner races. Furthermore, as noted above, independent SWCDs may be better positioned than county governments to reach out to local landowners.

Consolidation at the State Level

Consolidation at the state level would be difficult to achieve.

The interrelationships among the various state agencies responsible for water management in Minnesota are familiar to those who work full-time on water issues but are frequently confusing for citizens and legislators to navigate and understand. No single agency is responsible for the overall management of Minnesota's surface waters. Some people have recommended consolidation of all water-related programs into a single, state-level agency responsible for water policy. This would involve merging the separate water management functions now housed in BWSR, DNR, PCA, and Agriculture.

However, such an overhaul would be disruptive during the transition and cost the state considerable time and money. While a consolidated state management structure might provide better accountability, there is no persuasive evidence that it would clearly produce better outcomes in terms of improved water quality and reduced flooding. Furthermore, we found some examples of good coordination across state agencies but also found some examples of weak coordination within a single state agency. This suggests that consolidation into a single management structure does not automatically improve coordination.

Improved coordination might be achieved with far less disruption by simply devoting more resources to coordination, possibly by giving greater resources and statutory authority to the Environmental Quality Board (EQB). For example, the Legislature could require that water-related programs, activities, and budgets at the agency level conform to the state's water plan (which is prepared by EQB). However, there are practical disadvantages to such an approach. The current state water plan was not written with this purpose in mind. It focuses on broad, overarching goals and does not focus on issues of statewide oversight and accountability. Thus, it would be awkward to implement this requirement before the next water plan is developed.

¹³ The six counties are Cass, Faribault, Hennepin, Olmsted, Pipestone, and Rock.

**A Report of the Governance and Financing Task Force for the Grass Lake
Watershed Management Organization**

15 November, 2011

Grass Lake Watershed Management Organization
Ramsey County, Minnesota

Recommendation: The Board of the Grass Lake Watershed Management Organization recommends remaining an independent organization and asking the cities of Roseville and Shoreview to institute a GLWMO specific stormwater utility fee to finance the improved organization rather than merging with either the Ramsey Washington Metro Watershed District or the Vadnais Lake Area Watershed Management Organization. The board finds that this option retains the greatest amount of local control over the waters of the Grass Lake Watershed. This option will also ensure that all resources gathered for watershed management in the Grass Lake Watershed will be used to address concerns that are directly relevant to the Grass Lake Watershed, and not put towards programs that are of little benefit to Grass Lake.

Task Force

Karen Eckman – Chair GLWMO Board
Steve Barrett – GLWMO Board Member
Jon Miller – GLWMO Board Member
Mary Kay Von De Linde – GLWMO Board Member
Chuck Westerberg – GLWMO Board Member
Jim Debenedet – Citizen Advisor
Joanna LaBresch – Citizen Advisor
John Moriarty – Citizen Advisor
Steve Solomonson – Citizen Advisor

A Report of the Governance and Financing Task Force for the Grass Lake Watershed Management Organization

Purpose

The Governance and Financing Task Force (Task Force) for the Grass Lake Watershed Management Organization (GLWMO) was convened on October 6, 2011 with the purpose of researching and recommending a future governance strategy for GLWMO, specifically whether GLWMO should merge with either Ramsey Washington Metro Watershed District (RWMWD) or Vadnais Lake Area Watershed Management Organization (VLAWMO) or if GLWMO should remain an independent organization with an improved financing strategy.

Process

After the first meeting, analysis criteria were developed to focus the fact finding of teams studying RWMWD, VLAWMO and GLWMO. These criteria, with preliminary weighting and suggestions for measurement are shown in table 1. This set of criteria became the basis for further discussions about criteria and weighting at later meetings.

Criteria	Weight	Suggested Measures
Program Effectiveness	14.13%	Score of High, Medium, Low
Monitoring Capability	13.52%	Number and Frequency of Waterbodies Monitored
Education	13.20%	Frequency of Educational Programs
Success for Grants	9.35%	Ratio of Grants received to Grants Applied for, weighted by number of grants applied for
Outstanding accomplishments	6.98%	Number of Awards
Citizen Input	6.65%	Score of High, Medium, Low or No Input based on citizen interviews or survey
Local Control	5.92%	Score of High, Medium, Low or No Control based on interviews or survey of City Staff/Councils
Citizen Awareness	5.92%	Score of High, Medium, Low or No Awareness based on citizen interviews or survey
City cost	5.56%	Annual cost to cities through direct funding or program cost share with Watershed
Resident's cost	5.56%	Cost to residents through fees or taxes
Staff Number	3.89%	Number of FTEs
Staff retention	3.34%	Average Tenure of FTEs
Admin Cost (percent of budget)	3.10%	Percent of Annual Budget devoted to administration
Board Turnover	1.54%	Average Tenure of Board Members
Board Qualifications	1.34%	Score as High, Medium, Low or No Qualification required of Board Members

Table 1. Initial criteria and weightings used for fact finding

These criteria were assessed by each team through studies of the publications of the organizations including plans, budgets, websites and educational materials and through

interviews with the organizations' administrators. After the relevant facts were gathered, board members met with the citizen advisors on the task force to refine the weighting of the criteria. First, some of the criteria determined to be irrelevant were eliminated. The criteria were weighted using a rank order process that resulted in a final set of criteria weighted as shown in table 2.

Criteria	Weight
Program effectiveness	16.67
Monitoring Capability	14.77
Local Control	12.88
Education	12.50
Citizen Input	9.47
City cost (per city, No Cost =1)	8.33
Additional Resident's cost (per parcel)	6.44
Staff #	6.44
Grants Awarded	6.44
Staff Continuity	4.17
Board Continuity	1.89

Table 2. Final Criteria and weighting

Based on the facts gathered by each of the task force teams, the board members evaluated, with input from the citizen task-force members, each of the criteria for each alternative – RWMWD, VLAWMO and improved GLWMO – giving the alternatives scores of high (1), medium (.67) or low (.33) by consensus. Scores of .75 indicated a split in board opinions between high and medium. The weights were applied to the scores and they were summed for each alternative. The resulting scores (Table 3) became the basis for discussion when a motion was made to remain an independent watershed management organization. **It should be noted that the board intended the scoring of the alternatives to be a basis for discussion only, and it was never intended that the highest scoring alternative would necessarily be the recommended alternative.**

Relevant Characteristics of each Watershed Organization

Ramsey Washington Metro Watershed District

The Ramsey Washington Metro Watershed is a 56 square mile watershed that includes eleven lakes – among them the Phalen chain of lakes – and five creeks. Waters of RWMWD discharge into the Mississippi River. RWMWD has a staff of 15 full time employees with an average tenure of 10 years and a 5 member board appointed by the Ramsey and Washington county commissioners with an average tenure of 22 years. The district is funded with an ad valorem tax authority and its budget is about \$7 million yearly. This tax assessment would amount to a roughly \$50 average increase in the property taxes of GLWMO residents if a merger were pursued. Part of the district's budget comes from grants: the district has received \$3 million in grants over the past five years. The district is highly involved in monitoring its waters including using 10 automatic monitors for storm flow measurement and making water quality measurements of nine of the eleven lakes twice monthly through the open water months. Two staff members are charged with maintaining and analyzing the monitoring data. RWMWD

engages in outreach and education through its website, an e-newsletter, Waterfest – an annual family event, and outreach in the schools and local communities. The district constantly monitors its programs for effectiveness in its annual Signs of Success document. The district is involved in a Best Management Practices (BMP) cost share program – similar but on a larger scale than the BMP cost share in GLWMO. They also undertake much bigger capital projects, for example the stormwater volume reduction project at Maplewood Mall, and maintain the Beltway Interceptor stormwater system.

Vadnais Lake Area Watershed Management Organization

The Vadnais Lake Area Watershed is a 25 square mile watershed that includes eleven major lakes. Among them is Vadnais Lake, which is a drinking water reservoir for St. Paul Regional Water Services. VLAWMO has a staff of three full time employees with an average tenure of six years, and they are in the process of hiring a full time education coordinator. The board consists of six members, each a member of one of the six city councils that are signatories to the VLAWMO Joint Powers Agreement. The average board tenure is greater than four years. The organization is funded with a utility fee and its budget is about \$430,000 yearly. This utility fee would amount to a roughly \$25 average increase in fees paid by GLWMO residents if a merger were pursued. Part of the organization's budget comes from grants: the organization has received several grants in recent years ranging from \$6,000 to \$50,000. The organization is highly involved in monitoring its waters and makes water quality measurements of the eleven lakes and six locations on Lambert Creek twice monthly through the open water months. VLAWMO engages in outreach and education through its website, three major workshops a year, joint classes with GLWMO and participation in Blue Thumb. The organization pursues projects in line with its watershed management plan. These projects are of a smaller scale than some of those pursued in RWMWD, with their budgets indicating that none exceed \$150,000 per year. These projects focus on shoreline and creek restoration – similar in nature to the projects traditionally undertaken by GLWMO.

Grass Lake Watershed Management Organization

The Grass Lake Watershed is a nine square mile watershed that includes seven major lakes and many smaller wetlands and ponds. Among them are Owasso and Snail Lakes, which significant regional recreational lakes. GLWMO currently has a staff of one part time administrator, though the organization intends on retaining or hiring two full time employees following state approval of the Third Generation Watershed Management Plan. The board consists of five members appointed by the city councils of Roseville and Shoreview. The average board tenure is two years. The organization is funded with stormwater utility fees from Roseville and Shoreview, and its budget is about \$150,000 yearly. To fund projects necessary to meet state mandates, GLWMO is asking to implement a utility fee specific to residents of the Grass Lake Watershed. This utility fee would amount to a roughly \$25 average increase in fees paid by GLWMO residents. The organization has received one \$32,000 Legacy Fund grant to construct a stormwater bio-infiltration project as part of a road maintenance project on Roseville's Aladdin Street. The organization's involvement in water quality monitoring is inconsistent, and monitoring has been done by the cities or county in the past. As an improved organization, GLWMO will take a greater role in monitoring its waters, monitoring five lakes once per month during open water and reporting on eight lakes (the three largest lakes still being monitored by the county). GLWMO conducts two workshops per year and three joint classes with VLAWMO. As education will be a priority for an improved GLWMO, the organization intends to hold eight education programs yearly in the future, improve its website, and pursue

outreach through the member cities. The organization pursues projects in line with its watershed management plan. These projects are the smaller scale than some of those pursued in RWMWD, and focus on shoreline restoration and stormwater infiltration through cost sharing with private land owners for construction Best Management Practices and coordination with public works projects in the member cities. An improved GLWMO will expand the implementation of these projects and pursue some larger shoreline restoration and stormwater infiltration projects.

Result of the Criteria Scoring

When the board members scored the criteria for each alternative, based on the characteristics of each organization described above, the alternatives scored very close ranging from 82.1 on a scale of 100 to 89.9. VLAWMO was the highest scoring alternative due to its combination of high program effectiveness and relatively high local control (compared to RWMWD). RWMWD, while scoring well in program effectiveness, monitoring capability and education, scored low in both local control and cost to residents. GLWMO scored slightly lower than RWMWD predominantly on slightly lower scores in program effectiveness and monitoring capability that were the result of a concern by a board member about future effectiveness of GLWMO (described below under Points of Debate among the Board). This scoring highlighted the relative strengths and weaknesses of each alternative, and became the basis for discussion among the board members about which option to recommend.

Criteria	Weight	GLWMO IMPROVED	VLAWMO	RWMWD
Program effectiveness	16.67	0.75	1.00	1.00
Monitoring Capability	14.77	0.75	1.00	1.00
Local Control	12.88	1.00	0.67	0.33
Education	12.50	1.00	1.00	1.00
Citizen Input	9.47	0.67	0.67	0.67
City cost	8.33	1.00	1.00	1.00
Additional Resident's cost (per parcel)	6.44	1.00	1.00	0.33
Staff #	6.44	0.67	0.67	1.00
Grants Awarded	6.44	0.67	1.00	1.00
Staff Continuity	4.17	0.67	1.00	1.00
Board Continuity	1.89	0.33	0.67	0.67

Criteria	Weight	GLWMO IMPROVED	VLAWMO	RWMWD
Program effectiveness	16.67	12.5	16.66667	16.66667
Monitoring Capability	14.77	11.07955	14.77273	14.77273
Local Control	12.88	12.87879	8.628788	4.25
Education	12.50	12.5	12.5	12.5
Citizen Input	9.47	6.344697	6.344697	6.344697
City cost (per city, No Cost =1)	8.33	8.333333	8.333333	8.333333
Additional Resident's cost (per parcel)	6.44	6.439394	6.439394	2.125
Staff #	6.44	4.314394	4.314394	6.439394

Grants Awarded	6.44	4.314394	6.439394	6.439394
Staff Continuity	4.17	2.791667	4.166667	4.166667
Board Continuity	1.89	0.625	1.268939	1.268939
Sum		82.12121	89.875	83.30682

Table 3. Scored criteria and sums for each possible alternative

Citizen Concerns

Cost

One citizen voiced the concern that fees or taxes collected by VLAWMO or RWMWD would fund projects that would not benefit residents within the boundaries of GLWMO. The Beltway Interceptor stormwater infrastructure of RWMWD in St. Paul was given as an example of an expensive program whose benefits would not be readily seen by GLWMO residents.

Future Flexibility

One citizen voiced the concern that if GLWMO underwent a merger, this action could not be reversed in the future if it were found to be ineffective. However, were GLWMO to remain an independent organization it could reconsider the option of merging in the future.

Points of Debate among the Board

Local Control

The difference in the level of local control among the three organizations was clear: RWMWD, being county appointed, had the least local control; GLWMO, being appointed by Roseville and Shoreview City Councils, had the most local control; and VLAWMO, having six other members in a Joint Powers Agreement, had moderate local control. The focus of the debate on local control was on its weight as a criterion for recommending an alternative. The majority view was that local control should be heavily weighted because an organization with greater local control will use its resources more on addressing the needs of water bodies within the current boundaries of GLWMO. The minority view was that local control should be less heavily weighted because greater local control leads decision-making to be driven more by cost concerns than by benefit concerns.

Program Effectiveness

All board members agreed that program effectiveness was the most important criterion in making a recommendation. There was also agreement that both RWMWD and VLAWMO have high levels of program effectiveness. The focus of the debate on program effectiveness was on the ability of an improved GLWMO to achieve high levels of program effectiveness. The majority view was that with an improved financing strategy and a reasonable scope of activity focused on four program areas that address water quality – Education and Outreach, Monitoring, Technical Support, and Cost-Share Incentive – GLWMO can be highly effective as an organization in the future. The minority view was that since GLWMO has not had higher levels of program effectiveness in the past and since economies of scale led GLWMO to contract for services with VLAWMO and RWMWD in the past and GLWMO is still discussing contracting with these organizations for services, GLWMO on its own cannot be as highly effective as RWMWD or VLAWMO and economies of scale favor a merger.

Conclusions

The Board of the Grass Lake Watershed Management Organization recommends remaining an independent organization and asking the cities of Roseville and Shoreview to

institute a GLWMO specific stormwater utility fee to finance the improved organization¹. The board finds that this option retains the greatest amount of local control over the waters of the Grass Lake Watershed. This option will also ensure that all resources gathered for watershed management in the Grass Lake Watershed will be used to address concerns that are directly relevant to the Grass Lake Watershed, and not put towards programs that are of little benefit to Grass Lake. Further, the board believes that an improved GLWMO can achieve high program effectiveness. This will be done first and foremost by focusing the organization on addressing surface water quality through four programs: Education and Outreach, Monitoring, Technical Support, and Conservation BMP Cost-Share Incentives. This limited scope is a result of recognizing that GLWMO will remain a small watershed with a small resource base. The board will convene a Citizen's Advisory Committee (CAC) and a Technical Advisory Committee (TAC) to help GLWMO stay abreast of emerging concerns in the watershed. The board plans to retain consultant expertise in the equivalent of two full time employees to assist with technical consulting and project management. These concrete steps will help GLWMO become a highly effective organization while maintaining local control.

Acknowledgements

A special thanks to Jim Debenedet, Joanna LaBresch, John Moriarty and Steve Solomonson – the citizen advisors on the task force for their indispensable help on gathering facts and focusing the decision making process of the board.

¹ The board chose to recommend the option that scored the lowest in analysis of the criteria. This should not be considered odd, when it is understood that this option scored lowest because of the concern of one board member about the future effectiveness of the organization. Had there been consensus about the future effectiveness of GLWMO and the criteria of program effectiveness and monitoring capability been scored 'high' GLWMO would have emerged as the highest scoring alternative. Since this concern about effectiveness was a minority view, it was outvoted in the final decision for recommendation.

James DeBenedet
808 Millwood Ave.
Roseville, MN 55113
November 16, 2011

Ms. Karen Eckman, Chair, GLWMO Board
666 Cobb Road
Shoreview, MN 55126
By email attachment

Re: GLWMO Finance and Governance Report

Dear Ms. Ekman,

I have read *A Report of the Governance and Financing Task Force for the Grass Lake Watershed Management Organization*, which I will hereafter refer to as the report. I also attended all task force meetings and provided significant research results input to the task force process.

I disagree with the conclusions and recommendations of the report and am just as troubled by the lack of integrity of the task force process as the project ended at our meeting on November 4th. My main objections are detailed below.

Premature Dismissal of the Task Force

The task force was established to assist the board in the analysis of alternatives and the selection of criteria for ranking alternatives and making a final decision on the future financing and governance of the GLWMO. The original task force solicitation cited goals of improving clean water stewardship and making sure public money is efficiently and effectively spent.

At the beginning of the November 4th meeting, Vice Chair Westerberg announced that the evaluation criteria agreed to at the previous meeting were unsatisfactory and needed reconsideration. He also informed the task force that only board members would vote on the revised criteria and on the final scoring.

In my opinion, this was done to limit voting to those board members who wanted to guide the process to a predetermined result. In any event, it is my desire, under the circumstances that my name be removed from the final report since I had no involvement in the final criteria selection and ranking or the final scoring and decision and I think the end product does not meet the original project goals.

Definition of Improved GLWMO

There is no explanation in the report nor was there much discussion at our meetings of what an improved GLWMO would be or how it would be accomplished. There was some reference to hiring two more employees or consultant employees to achieve improved results. However this was not fully explained in the report and I believe the board does not know what these employees would do, what their job descriptions would be or what their salient qualifications would be. Critical expertise in managing programs, environmental monitoring and reporting, public education, and other tasks could

be contracted through other agencies, but this could be expensive and subject to the availability of such people through their employers. In other words, their employers will set their priorities and these may not align with the needs of the GLWMO.

In my opinion, the whole concept is fuzzy and not understood by this board. Finally, the cost of this improvement was never discussed in our meetings and not reported in the final report.

Cost Estimating for the Improved GLWMO and Other Alternatives

The cost of an improved GLWMO is too low by your own estimates and is not reported accurately in the report. The report reports these cost to residential properties in GLWMO as \$25 per year. Yet I was provided with a spreadsheet that shows an annual charge of \$25.32 per residential equivalent raises \$263,000 per year to fund GLWMO. By all reports, this is inadequate to fund the draft plan which is undergoing reviews. That same spreadsheet shows an annual fee of \$32.32 raising \$314,000 to adequately fund the program listed in your draft plan.

In addition, as stated above, an improved GLWMO will hire two FTE staff to improve programs, monitoring and education. If these are professional staff with good water resource backgrounds and with benefits, this could easily add \$200,000 to the cost of managing the improved GLWMO. Also, the draft plan relies on outside additional funding by the cities to support the plan. This was not included in the alternatives evaluation as a city cost and is not likely to be funded without reliance on the new charges.

In short, the improved GLWMO will, in my estimation, require an annual property owner fee of about \$50 per single family home or equivalent.

Weakness of GLWMO Governance and Local Controls

The board revised the evaluation criteria at the November 4th meeting to increase the weight of local control. The point of this is to give weight to the value of local property owners' voices in the GLWMO. I believe the report explains the rationale on this well enough. However, the issue of local control is subject to interpretation, but in the end, the failure to be true to the task force process and the other weaknesses of the report show this board is not up to the task before it.

The board has had ample opportunities over time to improve its function as an advocate for protection of the water resources. It could be said the problem is one of funding, but if the board were effective, it could have effectively argued for increased funding or a separate and adequate funding source. It has not and only now, claims that it will do better if provided with more money.

The process was not managed well. The time frame for this project was inadequate to allow all of the research and discussion that was required. Even though the board began discussions of alternatives earlier this year, the task force was kicked off in October with a deadline of November to produce a final recommendation. This was not adequate and the board should have realized the shortcomings of the project timeline and either started earlier or proposed a strategy to continue the project to a realistic deadline allowing time for research and full discussion of the alternatives.

The board has suffered from a lack of tenure. The current board tenure averages about two years. I do not know the reason for the lack of longer term board members, but this causes concern. While I have no doubt that individual board members are committed and capable, the overall lack of longer term members is an indication of a lack of commitment and effectiveness of this board and by extension, of the GLWMO.

Finally, the board showed its weakness by establishing a task force process and then not allowing the process to reach its conclusion when it became evident the task force might not render the desired outcome.

Alternative Recommendation

After consideration of the foregoing, I scored the three alternatives based on my assessment of the probabilities of success for each and concluded the merger with Ramsey Washington Metro Watershed District, RWMWD, was the best choice.

In my opinion, the board scored the probable effectiveness of the improved GLWMO too highly. By using the same table contained in the report, deleting all rows which scored equal to all alternatives and removing the local control criteria, I scored the three alternatives as shown in the table below.

Criteria	Weight	Improved GLWMO	Merge with VLAWMO	Merge with RWMWD
Program Effectiveness	16.67	11.2	16.7	16.7
Monitoring Capability	14.77	9.9	14.8	14.8
Education	12.5	8.4	12.5	12.5
City Cost	8.33	0	8.3	8.3
Staff Numbers	6.44	4.3	4.3	6.4
Board Continuity	1.89	0	1.2	1.2
Total Score		34	58	60

I didn't change the weight for each criteria, and since not all criteria are listed, the total does not add up to 100. Also, I filled in each box to the nearest 1/10 and the totals to the nearest whole number. Clearly, I have a perspective on this, but it is to have an effective and cost/effective watershed management organization regardless of its form or geographic basis.

I will attend the Roseville Council meeting on November 21st to present my views and answer council questions. I am sending this out by email due to the time constraints. I am asking that Tom Peterson forward it to the GLWMO board members and other task force members. I will send it to two other task force members who attended the November 4th meeting and may share my concerns regarding the

process and the final report. I am sending it to Staff at the two cities so that they may share this letter with their councils and any other staff they believe relevant.

Sincerely,

James DeBenedet

Pc: Tom Peterson, GLWMO Administrator
Duane Schwartz, Roseville Public Works Director
Mark Maloney, PE, Shoreview Public Works Director

MARK MALONEY - Re: Jim DeBenedet Letter regarding GLWMO

From: <Sdsolomonson@aol.com>
To: <mmaloney@shoreviewmn.gov>
Date: 11/16/2011 4:31 PM
Subject: Re: Jim DeBenedet Letter regarding GLWMO
CC: <sandymartin444@gmail.com>

Mark and Sandy,

Jim DeBenedet sent a letter in regards to the GLWMO task force. I was also a task force member and attended all the meetings and subteam meetings. There are some points to Jim's letter that I agree with. The time-line was very aggressive. We had less than a month to complete a lot of work. The process was not well documented in the final report.

Process

The board adopted my recommendation on a process to use to try and pick the best solution, or at least to compare them. I recommended a process of agreeing to criteria for comparison, weighting the criteria using AHP process (Analytic Hierarchy Process), and to accumulate information sufficient to rate each possibility by forming subteams. The work of each subteam would be used as inputs to a decision matrix. The reason AHP is used is that people have a hard time comparing lists of things, but can make pairwise comparisons easier. For example, the eye doctor uses AHP all the time: Is 1 better or 2? By going through half the comparisons in the list, a weighting can be made. The tools work well in getting open discussions and to come to consensus. I assisted in the process of determining the weighting factors and later a facilitator was brought in to continue the approach. Three subteams were formed to answer questions on the 12 different criteria. I believe some of the lower weighted criteria were removed. I was on the subteam to evaluate the current GLWMO and to recommend an improved GLWMO. Karen, the chair was also on the subteam.

Considering the time-frame, a lot of information was accumulated. Time permitting, we could have accumulated much more. The process worked to create open discussion and to help board members and task force members to come to consensus. Initial discussions included the task force members and board members and subteams all had representation of board members and task force members. The one thing that was missing from the process was an open discussion of the weighting results and a discussion as to why members voted the way they did. The local control had the widest variability in votes. I recommended a discussion on that issue as half the people rated it very high and half rated it very low. The facilitator agreed with my assessment about local control. The remaining criteria had an almost unanimous agreement. A decision was made to have an open discussion on local control at the next meeting. After the discussion, and a presentation by Len Ferrington, it became evident that local control should be weighted higher. The acting chair at the last meeting decided to have the board reweight the criteria and to score each criteria for each of the three scenarios. . After changing the weighting, and recasting the votes, the GLWMO was lowest, but looking at the reason for the difference made the board agree that there really wasn't a huge difference between all three scenarios. The major discussion points were along the line that if they recommended a change and it didn't work, it would be hard to go back. The improved GLWMO should be given a chance and if it doesn't work a decision could be made later on to change to one of the other two options. The major concern the board had about losing local control is that our projects may be low priority compared to the larger watershed district and members of GLWMO could possibly be subsidizing other projects outside of their watershed.

The tool worked in that the board had discussions. . The final vote was 3:1 to recommend keeping GLWMO and improving it or staffing it and funding it properly.

My experience as a task force member was very good. My first impressions were that the board didn't know what they were doing. However, the tools I encouraged them to use caused a lot of discussion and my opinion changed after several meetings. In the end, the board acknowledged the task force members work and made their recommendations on the work we did and on open discussions.

In terms of making a recommendation. I believe that is and should be up to the board. I agree with the final approach to have the board make the determination as to the final recommendation. We had limited time, and consensus with a large group is very hard to come by.

Weakness of the process

- * not enough time was given to the task force
- * report was written by one board member with the blessing of the other 3. The task force members were not given an opportunity to recommend changes or to critique it.

Strengths of the process

- * everyone participated in the process
- * the process worked on getting a consensus and open discussion
- * subteams were formed to be more efficient due to the aggressive time-line
- * I believe the whole process was completed in roughly 4 weeks with 2 subteam meetings, and 3 group meetings.

Recommendations

I'm comfortable with the process and the recommendation of the board members. I feel that any of the three scenarios has benefits. The conservative approach is to stay with GLWMO as the board recommended and to reassess the progress at a later date.

Thank you for the opportunity to serve on the task force. I would be glad to answer any questions either of you may have.

Sincerely,

Steven Solomonson

attatchment; Jim's letter.

In a message dated 11/16/2011 3:06:19 P.M. Central Standard Time, jdebenedet@msn.com writes:

All,

I am sending my letter, which I titled a minority report. At this point it is a minority of one, but I think there are others who may share some or all of my concerns. In any event, it is here for your information and I think it speaks for itself.

Jim DeBenedet

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