

**LOWER ST. CROIX ONE WATERSHED, ONE PLAN
POLICY COMMITTEE, MEETING 12**

OCTOBER 28, 2019 BOARD MINUTES

PENDING APPROVAL

Call to Order

Meeting called to order at 4:05pm by Secretary Jim Birkholz.

Members Present: Anoka SWCD – Sharon Lemay
Brown’s Creek WD – Craig Leiser
Carnelian Marine St Croix WD – Wade Johnson
Chisago SWCD – Jim Birkholz
Chisago County - Chris DuBose
Comfort Lake Forest Lake WD – Steve Schmaltz
Isanti SWCD – Greg Swanson
Middle St. Croix WMO – John Fellegly
Pine County – Stephen Hallan
South Washington WD – Don Pereira
Sunrise River JP WMO – Janet Hegrand (alt.)
Washington County – Fran Miron
Washington SWCD – Diane Blake
Pine SWCD – Doug Odegard
Isanti County – Susan Morris

Staff Present: Angie Hong – EMWREP
Craig Mell – Chisago SWCD
Jaime Schurbon – Anoka SWCD
Mike Isensee – Carnelian-Marine-St. Croix WD
Jay Riggs – Washington Conservation District
Mike Kinney – Comfort Lake Forest Lake WD
Maureen Hoffman – Washington County
Matt Moore – South Washington WD
Jackie Anderson – Comfort Lake Forest Lake WD (alt.)
Susanna Wilson – Chisago County

Others attending: Barb Peichel – BWSR
Dan Fabian – BWSR
Jen Kader – Freshwater

AGENDA ITEMS

Approve October 28, 2019 agenda

Susan Morris moved to approve the October. 28, 2019 agenda and Steve Schmaltz seconded this motion. Motion carried.

Approve September 30, 2019 meeting minutes

Craig Leiser moved to approve the September 30, 2019 minutes and Stephen Hallan seconded this motion. Motion carried.

Update on planning process and development of implementation tables

Jen Kader used the Agricultural Lands Program Area implementation table as an example of the format and information the Policy Committee will be receiving before the next meeting. The tables have not been finalized by the Advisory Committee yet.

The Policy Committee had many questions about the funding sources identified. Stable external funding is referring to ongoing appropriation of state funding that is passed through the LGU's, NOT grant funding. Jen Kader clarified that local funds is referring to existing local levies. Local funds are included in this table as required content by BWSR, with the intention of using that information to assess the amount of additional funds that are needed to meet the 1W1P goals. Dan Fabian clarified that the local funds column is showing what funds are already being spent on these types of activities in order to identify the funding gap, and is not intended as an expectation of additional local funds to be produced.

Jen Kader explained that the subwatershed basis prioritization is still being discussed, and will happen after the implementation table is done. The prioritization process will be decided for both projects and programs. She also pointed out that there is no column for watershed based funds in the table. The shared position concept which would help multiple organizations would be well suited for watershed based funding.

Mike Kinney noted that there will be differences between the organizations adopting the 1W1P as their own plan and other participating organizations. He suggested consideration into how to approach this as a larger organization, and said locals can use the framework how they wish. The tables have been sent to state agencies for initial review in order to avoid surprises in the comment period.

Continued discussion on organizational arrangement for plan implementation

Jamie Schurbon led the discussion and will send his presentation out to the committee. At the last meeting the Policy Committee seemed to be leaning toward a JPA instead of an entity. There has been new information on funding and a chance for the committee members to speak with their boards. At the last meeting BWSR announced there will be two pots of funding. The watershed funding will become available July 1st 2020.

- \$471,070 for Basinwide funding to be used for 1W1P.
- \$793,461 of Metro funding which can be used for 1W1P plus watershed plans, county groundwater plans, and metro SWCD work plans. The other difference is that multiple entities can receive funding from the Metro pot rather than just one JPA.

The group initially thought the “Basinwide funding” pot was “Non-Metro funding” but Jamie Schurbon said he thinks basin wide is more appropriate. Jim Birkholz asked BWSR for clarification on if the funding scheme was established internally by BWSR or is based in state statute. Barb Peichel explained that the funding scheme was the result of multiple stakeholder meetings. The summaries of those meetings are available for the committee to review.

The group discussed the details of the JPA organization draft. It would retain a staff level steering committee and a policy committee. The governing entities make decisions, and there will be a voting process. The group discussed the practicality of using 2/3rds of the participating agencies or 20.5 weighted votes to make majority decisions. Jamie discussed the ability of the work plan to contract out the work. There would be dues collected from participating organizations. There are currently 15 members of the policy committee with a potential of 19 if the remaining organizations decide to participate later (Ramsey County, Ramsey SWCD, Valley Branch WD, and Anoka County). The group noted that about 2/3rds of the participating organizations are from the metro.

Questions and Discussion:

- Greg Swanson clarified that the voluntarily involved organizations would get an equal vote if they signed the JPA.
- Craig Leiser asked about the practical implications of not having an enforcement process if dues were not paid.
- Steve Schmaltz asked if the draft had been reviewed by legal staff yet. Jamie said the whole of the plan had not been reviewed although the components are all from legally reviewed documents.
- Barb Peichel clarified that Chisago Lakes is not eligible to sign because the group decided not to allow organizations that do not fall into 103 B, C, or E. Jay Riggs noted that Jerry Spetzman participated in the Advisory Committee meetings.
- The committee asked if this group can decide on how the Metro funding is divided. Matt Moore asked if it can be written in to the JPA or if the Metro group is in charge of the distribution.

The group entered a roundtable discussion to ask if the representing organizations had discussed a preference for JPA vs. entity after the new information

- Craig Leiser overall supported the JPA collaboration rather than the entity. He liked the draft of the JPA overall with some questions about officer compensation and how weighted votes would apply towards issues.
- Fran Miron said that Washington County had not yet weighed in, and this would occur in a workshop in November. He has staff feedback on formatting for the draft. Personally he supports the JPA collaboration over an entity. He said Washington County is not currently part of any organizations that have half votes. He believes there is going to be more consensus building rather than divisive votes.
- Wade Johnson said he has not been able to discuss this with his board yet. His alternative supports the collaboration over the entity. He does not understand how the metro group dynamic would play into the organization and would like greater understanding on this. He was originally concerned that a lack of an entity would have a risk of less effective implementing, but after seeing the JPA draft he feels like either way could work. He believed the group would have less stability without an entity. Fran Miron said he believed the civility would come from

the continued funding and from a continued interest in the group functioning. He believes this plan adoption would provide stability.

- Diane Blake said her board had not been able to discuss this yet but personally supports collaboration instead of an entity.
- Sharon Lemay said her board would like to start with a collaboration model. She is personally concerned about the lack of efficiency this could result in and believes an entity would be more effective.
- Doug Odegard said his group supports a collaboration and that there is interest in shared positions such as a forester in terms of staff capacity.
- Stephen Hallan said his county's attorney has not seen the plan yet. His board has concerns, although they are fine with a JPA. He expressed concern about the weighted voting system in that he doesn't think a small watershed should have as much voting authority as a county. He is concerned that Pine County's interests might not be reflected and served in this kind of a group setting.
- Susan Morris said she initially liked the idea of collaboration but that Isanti County's attorney is supportive of the entity model for liability purposes. She agreed but noted that there is an extra layer of cost by choosing an entity.
- Don Pereira said his board has not discussed this yet and asked if the 1W1P could go through the review process without the organizational arrangement decided upon. Barb Peichel said the arrangement doesn't need to be finalized for the plan to be reviewed but it is in the groups interest to figure it out in order to use the funding as soon as possible. Don said he would be supportive of starting with a collaboration with the ability to move onto an entity later on if needed.
- Janet Hegrand said her organization will discuss this on their November 7th agenda.
- Jim Birkholz said the Chisago SWCD board prefers an entity. They believe starting with a collaboration would make timely decisions difficult, and that an entity would be more efficient. As for the funding discussion, he believes having two pots of funding will complicate decision making down the road. His board believes this needs to be resolved and if not then BWSR needs to come speak and assist on this policy level issue.
- Chris DuBose said his board was mixed on the collaboration vs. entity question, but the Chisago attorney prefers the entity approach. Matching funds would be better assisted through an entity approach and that makes the case for him in favor of entity. He expressed concerns about representation through the proposed funding scheme. He said that it would appear that metro organizations would have access to much more of the funding than non-metro organizations due to the non-metro funding pot actually being a basinwide funding pot, and due to the metro pot being much larger in the first place.
- Steve Schmaltz said his board and attorney were supportive of the collaborative JPA rather than an entity. His attorney believes that implementation is missing in the contract and that this needs to be done before voting is sorted. He said the roles and responsibilities of the JPA need to be identified, as well as what decisions the governing body has to make and under what criteria and priorities. He shared his perspective that the county power is currently weighted highly, with counties and SWCD's in terms of voting. He also noted that counties and watershed districts with taxing authority would be most influential and SWCD's would become subcontractors of the JPA. Jim Birkholz noted that although SWCD's do not have taxing authority they do have legislative mandates to have programs. Stephen Hallan noted the

- importance of SWCD's as being comprised of elected officials.
- Greg Swanson said Isanti County is in support of the entity model due to organizational efficiency, liability concerns, and a belief that it would be best suited to carry out the work. This is in spite of being initially mixed in their support of entity vs collaboration.

Greg Swanson asked the group if there was any serious objection to the entity model and questioned why the group would start off with the collaboration model if the plan is to end up as an entity anyway. Fran Miron said his concerns with the entity model are the cost of managing another structure and concern about another layer of government. The group discussed the protection against liability an entity provides. Susan Morris expressed concern at the amount of time it would take to create an entity. Greg Swanson expressed his concern again about the lack of efficiency a collaboration could result in and said he believed from a financial and business standpoint an entity would create layers of insulation in terms of liability. Fran Miron believes a workplan would resolve some of that inefficiency. Craig Leiser believes a collaboration could be set up with enough administrative authority to be functional. Greg Swanson asked how the functionality would differ between the two options in terms of staffing capacity. He believes if the SWCD's would be used as subcontractors then there wouldn't be more staff with an entity than there would be with a collaborative JPA. Jamie Schurbon said he didn't envision the new entity as having staff as it would be contracted out. He pointed out page 9 in the draft containing the restriction of powers a new entity would have.

Craig Mell asked BWSR to clarify some questions. Non-metro organizations have to adopt the plan in order to be eligible for funding. Do metro organizations have to adopt the plan as well? Dan Fabian said the metro organizations are all voluntary but if enough organizations don't adopt the plan that the implementation will not be effective. He said there has to be sufficient numbers to implement the plan basin wide and if the metro doesn't sign on then the plan priorities would change. Jim Birkholz questioned why metro organizations are still eligible for funding even if they don't sign onto the plan. Matt Moore noted that the metro can send money to the non-metro.

Jim Birkholz expressed concern that some of the policy details BWSR selected is not allowing LGU's to fully work together from a watershed approach to achieve results for the watershed. Barb Peichel explained that some metro watershed districts aren't doing the 1W1P but still deserve funding, and that the timing is making some of the policy decisions difficult. Dan Fabian said this group still retains the ability to choose what they want to do with the funding.

Steve Schmaltz asked for clarification on the watershed funding amount, compared to the 30 million in competitive grants. He asked if the amount of watershed based funding is expected to grow. Barb Peichel explained that this is still the beginning of the transitional phase and that competitive funding will still be available for a while. As more 1W1P plans finish the amount should go up. All of the funding is dependent on the legislature continuing to appropriate the amount to the CWF. Matt Moore reminded the group that currently only 48% of the CWF funds go towards implementation and that state agencies still use 52% of the funds. The original white paper had the CWF allocation at 15% administration, 70% implementation, and 15% statewide competitive.

Jamie Schurbon said some of these issues staff can fix, and some will be based on whether the committee selects an entity vs. collaboration. The staff needs to finish creating the criteria for decision making and BWSR needs to clarify some of the metro group/funding questions. Fran Miron suggested that since not everyone has been able to discuss this with their boards, that the group will be in a better position to make these decisions at the next meeting. He noted that it is always possible to move collaboration onto the next level but that it is more difficult to move an entity back to a collaboration. He understands the concerns about coming to a consensus and building agreement.

Adjournment

The committee members will discuss the organizational arrangement question further with their boards in order to bring back their decision. Fran Miron will try and bring back information from the November 19th Washington County meeting in time for the next meeting. Policy committee members can email Angie their edits, questions, etc. A markup document will be provided to the group as a whole with comments by organization.

Policy Committee members discussed upcoming meeting dates. The group agreed not to meet in December. The next scheduled meetings are: November 25, 4-6pm at the Wyoming Area Library. Agenda items will include the implementation tables and subwatershed decision making. There will also be another roundtable on organizational arrangement.

The motion to adjourn was made by Craig Leiser and seconded by Susan Morris. Meeting was adjourned at 5:47 p.m.