



Title: PPC Strategic Dialog Kickoff – Phase 1 – Historic Analysis

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Purpose:

At the March 25, 2021 Policy and Planning Committee Meeting, the Committee will kick off Phase 1 of a series of strategic organizational dialogs planned for 2021 and 2022.

Phase 1 of 3 will be focused on answering the organizational question – where have we been and what have we learned? Through a historical analysis of formative key events throughout the Minnehaha Creek Watershed District’s (MCWD) past, the Board and staff will work together to derive timeless lessons that will support the success of the organization long into the future.

To begin this work, on March 25, the PPC will be asked to review and discuss a preliminary timeline of MCWD’s history, delineated by key events and divided into discrete thematic periods. At this stage of the process, each time period in MCWD’s history is accompanied with preliminary hypotheses of retrospective lessons the organization has learned through its collective experiences.

Background:

2022 represents the midpoint of the Minnehaha Creek Watershed District’s 10-year plan, and is also the 5 year anniversary of the District’s 2017 plan for strategic alignment. As the District approaches this midterm milestone the Board of Managers has expressed a desire to continue strategic preparations for the future.

As part of preparing for the future, the Board has decided to take stock of its current situation, by evaluating the status and needs of near term priorities. This work will be prepared by District staff for Board discussion mid-year between Q2 and Q3. The Board has also determined to analyze its history to derive and memorialize timeless lessons from the past that can inform, guide and support the District’s future success as a leader in watershed management. This work, described above, has been broken into three phases of work as follows:

1. Phase 1 – Past – Where have we been and what have we learned?
 - a. A historical analysis to derive insights that underpin MCWD’s identity today, and lessons for the future
2. Phase 2 – Present – Where are we now and what needs to be done?
 - a. Status of current strategic priorities, and assessment of what will be required near term to execute
3. Phase 3 – Future – What challenges will we face in the future, and how can we prepare?
 - a. An inventory and education on emerging strategic issues the District wishes to begin preparing for

Below are links to past Board and Committee packets where Managers and staff discussed the purpose and scope of these strategic dialogs.

- [February 11, 2021 Board Meeting](#) – Approval of the process and scope of work
- [January 28, 2021 PPC Meeting](#) – Review proposed process and scope of work
- [November 19, 2020 PPC Meeting](#) – Discussion of purpose and desired outcomes
- [October 22, 2020 PPC Meeting](#) – Introductory Discussion

March 25, 2021 Meeting:

At the March 25, 2021 Meeting, Louis Smith will facilitate an introductory discussion with the Committee, by stepping through key events in MCWD's history, outlining themes from each time period, and pausing for discussion.

Questions to consider in advance of the meeting include:

Key Events:

- Based on your understanding of MCWD's history, are there key events missing?
- Through your experience, knowledge, or intuition, which key events should be explored further?

Time Periods:

- What is your initial reaction to the division of key events into discrete time periods?

Hypothesis and Lessons Learned:

- Based on your understanding of MCWD's history, are there lessons learned that might be missing?

Other:

- What stands out to you at this point in the process? Are there any interesting themes emerging?
- What questions do you have about the history as outlined that might drive next steps in the analysis?

Next Steps:

Following the initial discussion with the Board of Managers, Louis Smith and staff will conduct a focused analysis of specific key events in each time period, and produce a white paper that expands the context of formative events and extracts lessons learned. Each white paper will be the focus of a subsequent discussion with the PPC. Finally, these individual white papers will be synthesized into a final report.

Supporting documents (list attachments):

- Preliminary Timeline and Hypothesis

1967 – 1979: Formation of MCWD and Initial Mandate

In its first twelve years, the MCWD focused on addressing flooding issues and construction of the Gray's Bay dam. Invited by cities to review land use development for water resource impacts, the MCWD developed its first regulatory program, initiated several major technical studies, and pursued an early land conservation initiative along the Creek in St. Louis Park.

Key Events:

- Impetus for the 1966 Petition made by Hennepin County and MCWD's initial "mandate"
- 1969 Watershed Plan – Goals and Programs included Monitoring, Permitting, CIP
- Elimination of municipal wastewater discharges to Lake Minnetonka (1971 – 1986)
- Construction of Gray's Bay Dam
 - Extensive litigation with USACE on legal requirements
- First computer model developed for Lake Minnetonka watershed
- Initial role in reviewing development projects at city requests
- Development of first rules to require watershed district permits; early enforcement actions
- Wayzata Wetland Study for USEPA
- Early land conservation initiative along Minnehaha Creek in St. Louis Park, partnership with City for HUD grants to acquire riparian easements

Hypotheses:

- Flood mitigation is central to MCWD mission, identity, and relationships; flooding will always be a source of conflict and strategic opportunity for MCWD to provide value at the nexus of land use and water management
- MCWD establishes its value through responding to the needs of cities and other land use actors with science-based or data-driven technical assistance
- Establishing a credible regulatory program requires a commitment to enforcement
- MCWD can play a leadership role in mobilizing resources for conservation of riparian areas in collaboration with a city partner

1980 – 1992: First Evolution – Establishing Data Driven Project Planning

The MCWD continued to build its technical understanding of the watershed, keeping a primary focus on flood mitigation, while also writing a second more comprehensive water resources management plan.

Key Events:

- Hydraulic flood study of Creek in Minneapolis
- TR-20 runoff model for 1, 10 and 100 year events for existing and future unmanaged scenarios
- Edina – MNDOT flood management projects at Hwy 100 & dredging at 44th Street
- Engagement with MndOT on I-35W construction planning
- Painter Creek subwatershed improvement projects
- 1987 Watershed Plan
 - Response to 1982 Metropolitan Surface Water Management Act
 - Evolution of goals and programs
 - Pursuit of Hennepin County financing for projects (unsuccessful)

Hypotheses:

- Effective relationships with county boards are vital to MCWD success
- Strong technical understanding of Creek hydrology is essential to mission and establishes a basis for credible regulatory program and project partnership potential
- Merely adequate outreach to cities, counties, and state agencies gains plan approval, but effective engagement with citizens or general public creates more relationship capital and greater project opportunities

1993 – 1999: Second Evolution – Growth of Planning and Implementation

MCWD entered a time of greater public visibility by addressing water quality in the Minneapolis Chain of Lakes. City leaders learned the power of MCWD's broad tax levy, technical expertise, and unique ability to improve water quality in major lake assets. MCWD learned the power of negotiating effective multiparty agreements to reflect true working partnerships, and learned the challenging consequences of proceeding with projects such as Long Lake without such partnerships in place.

Key Events:

- 1993 Watershed Plan
- Engagement with MNDOT, legislature to establish MCWD permitting jurisdiction over highway projects (1996)
- Extensive litigation on shoreline improvements issues (1996-97)
- Long Lake Feasibility and Pond Projects (1996)
 - Condemnation and litigation
- Gleason Creek Flood Control (1995) and Phase II work for Water Quality (2000s)
- Chain of Lakes and Blue Water Commission (1996 – 2000)
 - Informed the art of negotiating public partnership and cooperative agreements
 - Twin Lakes Projects (1996)
 - Cedar Lake Project; geometry, function and aesthetics
 - Chain of Lakes Stormwater Ponds (1996-1996)
 - Important lawsuit to facilitate project
 - Lake Nokomis Ponds & Weir (1998-2001)
 - Strong working relationship with mayor of Minneapolis, Hennepin County, MPRB, St. Louis Park,
- Outstanding Watershed District of the Year (1996)
- Noted for the largest urban lake restoration project in the United States; received five environmental awards, including the CF Industries National Watershed Award and the Minnesota Governor's Award for Excellence in Pollution Prevention
- MN Landscape Arboretum Wetland Restoration (1997)
- 1997 Watershed Management Plan
 - Increased emphasis on education and public participation

Hypotheses:

- MCWD occasionally faces critical tests (David v. Goliath) of its credibility and authority; passing these tests can establish MCWD's relevance, but also presents risk in creating perception of heavy-handed regulatory agency

- Partnership with MNDOT, other state agencies based on mutual respect is most productive posture
- MCWD can face tough dilemmas in moving ahead with water quality project without strong partnership with key actors; (cf. Long Lake, Medina, Orono, land owners); just because there is science to support a project doesn't mean the District should go it alone.
- There are many more "opportunities and needs" than time or money. Selectively working where we have partnership capital provides long term wind in our sails, and credibility; building relationship capital requires more than MCWD's financial investment
- Exercising eminent domain to acquire property rights for project can have significant costs in local perceptions and relationships;
 - Note technical issues re Wahlfors, Pearce ponds;
- Price of moving ahead without strong partner support can be long-lasting;
- Relationships with local leaders are essential to success
 - Discuss dynamic with MPRB, Mayor of Mpls, County Commissioners
 - Compare Long Lake challenges and Chain of Lakes successes
 - note emboldened by "David v. Goliath" success

2000 – 2009: Third Evolution – Updating Science, TMDL Approach and Expanding Programs

MCWD entered the new millennium taking strong stands, willing to pursue the leading and bleeding edge of water resources protection. It succeeded with groundwater protection at Highway 55 thanks in part to strong legislative support, and failed with regulatory ideas like imposing lake buffers and allowing fees in lieu of site compliance. A Total Maximum Daily Load or pollutant loading allocation approach in the MCWD plan, followed by the development of new District regulations, brought more stringent standards and imposed somewhat unwelcome demands on cities. The MCWD also continued to expand its vision of partnerships to include private partners such as Methodist Hospital, Duke Realty, and Bachmans. The MCWD also expanded its education programming pursuing cost share projects to promote resident action, to serve as demonstration within the watershed, and to increase grass roots engagement.

Key Events:

- Highway 55 Camp Coldwater Conflict, MNDOT, MAC, Groundwater, Boundary Change (2000s)
- Pamela Park Projects (2000)
- Studies HHPLS, Stream Assessment, Creek Visioning, Assessment of Wetlands (2003-2005)
- Buffer Requirements, Rule M, fee in lieu (2002-2004)
- 2007 Watershed Plan – TMDL approach, abstraction, rules, program expansion
- Land Conservation Program issues
- Rule revisions and BATC (2006 – 2011)
- Terminated feasibility work in Carver, Long Lake; lack of systems context and relationships
- Mound Downtown Redevelopment Projects (2006)
- Bachmans Project
- Methodist Development (2007 – 2009)
- Big Island (2009)
- Duke Realty and formation of LID, later Cost-Share (2009)
- Minnehaha Glen, USACE, MPRB (2007 - 2009) – problems in collective understanding among partners and challenges in project execution
- Grass roots engagement through Cost Share Iterations and the Lake Association initiative

Hypotheses:

- MCWD is willing to play David against Goliath if the issue is central to its mission
- Partnering with private land developers can yield significant water resource benefits not otherwise attainable
- Good intentions are not enough to succeed in rulemaking or watershed plan; careful stakeholder engagement is essential
 - Substantively important changes in water resource protection; volume, load allocations
 - Critical need to build understanding and support
- Expansive program growth in response to serial requests or perceived needs can expand MCWD reach but also result in lack of focus and alignment
- MCWD benefits by having citizens who understand and support the MCWD mission, but local water issues can also be a source of conflict and divert MCWD resources or attention
- Partnering with land use actors creates endless opportunities, but opportunities should be evaluated for fit with MCWD mission and strategic goals, and risk assessment
 - Unforeseen problems in project execution can have lasting consequences on relationships
 - Spending and science do not necessarily build relational capital

2010 – 2020: Fourth Evolution – Focus on Partnerships with Land Use Community

MCWD entered a new era of strategic focus on integrating its mission with the missions of public and private land use actors through effective partnerships. The organization underwent a significant staff change and undertook its first major strategic planning exercise as an organization which facilitated refocused direction, deeper Board engagement in governance, new staff organizational structure and attention to culture, and capacity to pursue a new watershed management plan.

Key Events:

- Richfield Taft-Legion Development (2010 – 2013)
- Watershed Partnerships Paper (2011)
- Initiated and Sunset AIS programming (2011-2016)
- Himle-Horner Governance Evaluation (2012)
- Master Water Stewards initiative (2012)
- Reach 14 Streambank Projects (2013)
- Balanced Urban Ecology (2014)
- Leadership Transition (2014)
- Bushaway Road Development (2011 – 2014)
- Strategic planning (2016) and Program Insights
- Greenway Planning (2009 – 2020)
 - Acquisition of 325 Blake Road (2011)
 - Cottageville Park Development (2010 – 2015)
 - Japs Olson (2012 – 2016)
 - Meadowbrook Project Failure
- 2017 Watershed Management Plan
 - Introduce Cities to BUE and Focal Geographies
- Flooding
 - 2014 flood of record

- Wettest six years on record (2014-2019)
 - 2019 wettest year)
- Arden Park (2019)
- Minneapolis Planning
 - 2017 MPRB & Mpls MOU
 - 2018-2019 FEMA Repairs
 - 2020 Minnehaha Parkway)
- Six Mile Creek Halsted Bay
- Focus on culture and leadership

Hypotheses:

- Pausing to reflect deeply on organizational strategy can yield many long-term benefits in MCWD capacity and success
- A thorough risk analysis and staff engagement before launching new projects can help to avoid a misdirection of MCWD resources
- MCWD can achieve much more resource protection by working in partnership with key land use actors including cities and private developers
- MCWD can achieve much more resource protection by developing trusted relationships through concentrating on specific geographic areas
- Relationships alone are not enough; MCWD is most impactful when we have an optimized blend of sound science justifying our work, we integrate outside considerations (land use) to maximize benefit of our actions, we assess risks, and develop relationships and support at all levels needed to be successful
- Continued assessment and reflection can develop a culture of self-awareness, learning, celebrating failures as opportunities to grow, and continuous improvement
- Careful attention to staff/Board leadership and personnel can transform the organization's culture, resiliency, and capacity for success.