



2006 Annual Report

LOWER MINNESOTA RIVER WATERSHED DISTRICT

1600 BAVARIA ROAD
CHASKA, MN 55318
WWW.WATERSHEDDISTRICT.ORG

952-227-1037

Published October 2007

History of the District

The LMRW D was principally established to be a legal entity for providing local participation to the U.S. Army Corps of Engineers (USACOE) to construct a navigation channel within the Minnesota River. With this purpose in mind, a nine-foot channel was developed in cooperation with the USACOE. Today, the LMRWD is still actively involved in the maintenance of the channel.

The statutes and rules affecting watershed districts and watershed management organizations have changed since the inception of the LMRWD. These changes have broadened the role that watershed districts play in water resource management.

As a result of these changes the Managers have focused their efforts on the following six goals and activities:

- ◆ The District will implement a data collection, assessment and planning program for its resources
- ◆ The District will expand its project review (developments, government projects, etc.), making the process more consistent, and obtaining more cooperation from the cities. The proposed joint resolutions will be amended as resource assessments are completed to set specific limits and/or require special resource protection methods/strategies in the watershed.
- ◆ The District will expand its project inspection program to verify that projects are meeting specific standards.
- ◆ The District intends to change its role regarding LMRWD funding of projects that generally benefit the District. As resource plans are developed, the District will either independently, or jointly with other entities in response to petitions, enter into projects identified in resource plans that benefit these resources. This is a new role and purpose.
- ◆ The District will expand its commercial navigation initiatives; in addition to acquiring dredge material disposal sites, the District will obtain easements to access the sites and enter into other projects that benefit navigation and

water quality in the river, such as bank stabilization control.

- ◆ The District has entered into cooperative Agreements with the Metropolitan Airports Commission and the MN Department of Transportation, and will seek to enter into similar cooperative agreements with the Mpls. Park & Recreation Board and the federal agencies to establish a project review and permitting program for the areas that were included in the “2000 Boundary Change Area” order.

Also, quoting directly from the original petition: *“That the formation, and establishment of the proposed District is necessary and would be conducive to the public health and public welfare in and upon its formation the District shall cooperate with, aid, and assist the State or Federal Government and all subdivisions of agencies thereof in carrying out the purposes of the District; that the timely establishment of said Watershed District will allow the immediate inception of the plans of the U.S. Army Corps of Engineers for the diversion and improvement of the watercourse of the Minnesota River within the District so as to provide water capacity for barges and heavy commercial river transportation on said river throughout the District, thus providing a water route for incoming and outgoing commodities of trade to serve the general agricultural and industrial areas adjacent to and within the trade area tributary to the District, all of which are of great benefit to the vast area of this State...”*

The LMRWD is located in the southwest part of the Twin Cities metropolitan area along the Minnesota River. The boundaries encompass an area of 64 square miles including portions of Carver, Hennepin, Dakota, and Scott counties. This area includes the Minnesota River Valley from Fort Snelling, at the confluence of the Minnesota and Mississippi Rivers, upstream to Carver, Minnesota. The width of the District extends to the bluffs on both sides of the Minnesota River within this reach of the river. (continued on page two)



Contents

- ◆ BOARD MEMBERS
- ◆ 2006 ACTIVITY
- ◆ FUTURE PROJECTS
- ◆ 2006 BUDGET (ATTACHED)
- ◆ 2006 AUDIT (BEING SENT UNDER SEPARATE COVER)
- ◆ EDUCATION
- ◆ MONITORING REPORTS (ATTACHED)
- ◆ DREDGE SITE INFORMATION
- ◆ MINNEAPOLIS AIRPORT COMM.
- ◆ MNDOT PROJECTS

Board of Managers

Kent Francis, Secretary

Carver County

Len Kremer, President

Hennepin County

Ron Kraemer, Vice Pres.

Dakota County

Larry Samstad, Manager

Scott County

Ed Schlampp, Treasurer

Hennepin County

HISTORY OF THE DISTRICT continued

The District's river and valley floodplain receives storm water runoff from highly developed communities above the river bluffs. Yet, most of these communities on the river bluffs are not within the LMRWD boundaries. This unique characteristic requires that the LMRWD work cooperatively with adjacent communities and watershed districts to protect the quality of the Minnesota River and its natural and cultural resources.

The LMRWD is also home to very unique natural and cultural resources. These distinctive resources include:

- ◆ Calcareous fens
- ◆ Trout streams
- Floodplain forests and wetlands
- Federally listed endangered species: Higgins Eye Mussel
- State listed endangered species: Western Prairie Fringed Orchid, Henslow's Sparrow, and Eared False Foxglove
- Mesic prairies
- Numerous state and federal threatened species and notable natural and culturally significant resources: Boiling Springs
- The Minnesota River Valley Wildlife and Recreation Area



2006 509 PLAN ACTIVITIES OF THE LOWER MINNESOTA RIVER WATERSHED DISTRICT

Kennealy and Harnack Creeks Groundwater Research project

In April, 2005, the District approved funding \$10,000 cash and in-kind contributions towards the MDNR in support of the Conservation Partners and Environmental Partnership Grant for the Nichols Fen, Kennealy and Harnack Creeks Groundwater Research Project.

Nichols Fen, Eagan

The Nichols Fen gully erosion issue has been corrected as of May 2005.

Seminary Fen, Chanhassen

MN/DOT completed monitoring of the Seminary Fen to assist with assessment of impacts to the Seminary Fen. Monitoring wells and the continuing monitoring of the wells has been taken over by the District and a cooperative agreement signed with Carver County Environmental Services to conduct the monitoring at a cost of \$3,019.00.

2006 ACTIVITIES continued

Groundwater Monitoring Program (on-going)

Historically, the District has been involved to a relatively minor degree in groundwater management and monitoring, as the numerous fens and trout streams within the District are state-protected resources and the state has been fairly active in monitoring the higher profile resources. However, there are also lower profile resources about which relatively little is known. In addition, budget cuts at the state level have forced a reduction in the level of monitoring activity, and state staff are stretched then in their capacity to track the health of, and offer the necessary level of protection to, some of these resources. The District felt it was in a position to step in and fill those gaps. This program is intended to help systematically identify how the District can be efficient at filling those gaps and thereby contribute to enhancing the effectiveness of management efforts for these important resources.

The general approach taken for this program was as follows:

1. Identify and locate groundwater dependent resources such as trout streams and fens.
2. With the help of other knowledgeable resource management professionals, evaluate the resources in terms of their current condition and restoration potential.
3. Identify what, if any, groundwater monitoring efforts have been or are currently being carried out for these resources and summarize the results of those efforts.
4. Identify opportunities for involvement in effective and useful groundwater monitoring efforts, including partnering opportunities.

Finally, prepare a report that summarizes those findings and estimates the cost of the recommended effort. (The final strategy report was submitted to BWSR in 2006)

As part of the implementation costs of the Groundwater Monitoring Program the board approved applying for a \$25,000 BWSR Challenge Grant or Metro Greenways Grant.

The grant application was successful.

"The objective of the Groundwater Monitoring Program is to develop a program that will be helpful in protecting the numerous groundwater-dependent resources that lie within the District's borders," said Len Kremer, President.

2006 Annual Report

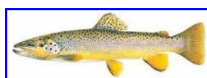
2006 ACTIVITIES continued

Fort Snelling State Park



The board submitted a letter of support to the DNR indicating interest in working with the State of Minnesota for clean up of the dump sites at Fort Snelling State Park. The District offered to move forward, locate the wells, start monitoring to determine the status of the groundwater at the fen located on site. The board voted in April 2006 using funds provided from the BWSR Challenge Grant in 2006 and 2007 to locate the Ft. Snelling wells and provide well location information to Dakota County because we are monitoring the wells in the other wetland locations.

Un-named Trout Stream #7



The board approved financially participating with the City of Burnsville in a 50/50 match for a not to exceed cost of \$1,630 to conduct monitoring at Un-named Trout Stream #7. The costs would include the purchase of one thermal probe and mounting equipment, the installation of same and monitoring.

Great River Greening Pilot Knob Historic Site

This site is owned by the City of Mendota Heights and a funding request was approved up to \$6,700 from the Watershed Assistance Fund out of the total of \$11,300 to complete two herbicide applications, two harrows, mechanical seeding and hand-seeding by volunteers and that permanent signage be placed on the site about the project being conducted towards preservation and promotion of water quality or education about water quality. The approval is based on completion of the project by December 31, 2008.

City of Bloomington Pond C Improvement Project

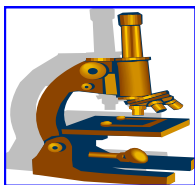


The board approved a letter of support to the City of Bloomington for expanding to improve the water quality and quantity of Pond C which is located adjacent to Cedar Avenue on the north side of bridge on the east. The city was applying for some Clean Water Initiative dollars and wanted the District's support.

Gully Inventory Project

The board approved contracting with the Minnesota Conservation Corp to conduct a gully inventory in the cities of Bloomington, Chaska, Carver, Eden Prairie and Chanhassen. The District then approached those cities to cooperatively work together to correct the gully erosion to stop the erosion. The inventory was completed in November 2006 and data sheets and maps completed and given to the five cities to review for potential projects in 2007-2008.

2006 Monitoring



Boiling Springs

After staff met with the Mdwakanton Sioux community, it was determined that they will conduct the monitoring at Boiling Springs. An Eagle Scout worked with them as part of his Eagle Scout Program and the District honored him March 15, 2006 with a Certificate of Achievement for putting together and installed 176 protection signs.

(Go to www.watersheddistrict.org Recognitions section to see photos).

2006 Annual Report

MONITORING continued

Dakota County Willow Creek monitoring WOMP Station in Burnsville

The monitoring agreement was adopted. The District continues to fund this program at a cost of \$9,989.00. The District requested preliminary data be released to them for review. Metropolitan Council does the data analysis. Monitoring data is on our web site under Reports.

2006 Scott County Soil and Water Conservation monitoring agreement for Eagle Creek

The monitoring agreement was adopted. The District continues to fund this program at a cost of a not to exceed amount of \$15,129.00 which includes water quality monitoring, well monitoring and erosion and sediment control services. Metropolitan Council does the data analysis and is available on our web site under Reports.

2006 Scott County Soil and Water Conservation monitoring agreement for Eagle Creek

The monitoring agreement was adopted. The District continues to fund this program at a cost of a not to exceed amount of \$15,129.00 which includes water quality monitoring, well monitoring and erosion and sediment control services. Metropolitan Council does the data analysis and is available on our web site under Reports.

Courthouse, Brickyard, Brickyard Lakes 2006 Report

Monitoring of these lakes continues and reports are available on our web site under Reports. Courthouse Lake is currently on hold for an alum treatment pending determination for the DNR of the need.

Seminary Fen, Chanhassen

The board worked with MN/Dot to conduct monitoring at the Seminary Fen. MN/Dot was conducting groundwater monitoring until winter 2006. Then the District will continue the monitoring.

Chaska Creek, Carver The board continues to contract with Carver County to conduct monitoring.

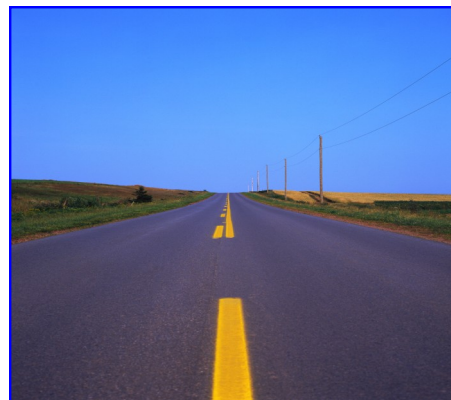
Monitoring reports can be viewed at www.watersheddistrict.org (Reports section)

MN Department of Transportation Highway Projects

MN/Dot TH41 four alternative designs were reviewed by the District and others and C2 Revised Option 1 and 2 was acceptable to everyone on the Task Force.

On-going discussions and meeting attendance continues in 2006 on County Road 147, T.H. 212, and T.H. 41.

Contributing member of the SAC for T.H. 41 River Crossing project.



Minnesota River Dredge Sites

◆ Cargill East acquisition of land for a new dredge storage site (Lower MN River Watershed District Mile 14.2 Maintenance Site)

The District was successful in the purchase of 18.3 acres of land located in the City of Savage, Scott County, State of Minnesota to be used as a new dredge site to temporarily hold dredge materials removed from the Minnesota River by the U.S. Army Corps of Engineers. The District purchased the property for \$254,726.12 from Cargill Incorporated in November 2006.

New dredge site negotiations for leasing site at Interstate 494 at the Minnesota River

Negotiations with MN/Dot began in 2005 to lease land for the purpose of operating a dredge disposal site. After many months, MN/Dot has determined they do not wish to lease land for this purpose. As a result, in 2006 forward the District continues to search for another dredge disposal site along the Minnesota River.

Private Dredge Site Legislation

In 2005, it was determined the District needed to introduce legislation to procure private dredge sites for authority to acquire, maintain, operate, improve and enlarge dredge material sites. After several months of the District staff working alongside the lobbying efforts of the Minnesota Association of Watershed Districts SF3023 was signed by the Governor on May 24, 2006 and became effective on May 25, 2006.

Minneapolis Airport Commission

MAC personnel presented the board with the list of 2006 projects along with a map noting the location of the improvements.



Glycol Spills

The Minneapolis Airport Commission and the Minnesota Pollution Control agencies came to the board to report on the MPCA/MAC stipulation agreement governing glycol spills at the airport.

MAC Environmental Reporting to the District

Last year it was agreed the District would like to have annual reporting from Roy Fuhrmann that our stakeholders might be interested in. Following is a list of items for MAC to address at their annual meeting with the Board:

- Annual Report that would include:

- ◆ basics about number of flights over last year, out of those flights we used "X" amount of glycol
- ◆ permit — significant additions/deletions, what is your standing with the MPCA, have they put you on administrative notice, are you in violation
- ◆ Monitoring—what are you monitoring, what are your results, where are you monitoring, how does that compare to historical data, airport-wide integrative spill response and coordination plan. Then answer: what is this plan, what does it involve, do they review it annually, who is reviewing it and how, who's training and how, what are they doing for new hire/people promoted training, are we on the immediate notification list for spills – what is the trigger for significant spills and/or environmental issues.



Minnesota River dredging in-process by the U.S. Army Corp of Engineers

2006 Annual Report

2005 Financial Audit

The board approved the audit June 21, 2005 and distributed as required by law.

2006 Bylaws

In February 2006, the Board of Managers approved revised Bylaws.

THE LMRWD
BEGINS SERIES
OF LOCAL
NEWSPAPER
ARTICLES ABOUT
PROTECTING
WATER
RESOURCES
REPLACING
NEWSLETTERS

Education

◆ Web Site

www.watersheddistrict.org

The web site continues to expand.

◆ The LMRWD began a series of local newspaper articles about protecting water resources instead of newsletters.

The first newspaper article released locally in May of 2006 talked about what a watershed is, who we are and what we do.

The second newspaper article featured an elementary school in Shakopee, Minnesota that was conducting storm drain stenciling in local neighborhoods. The teacher, Mrs. White, and two students attended a board meeting and talked to the board about what they learned. The District helped fund supplies for this project.

The third newspaper article featured Mr. Kelzer, from Carver County, who is a fourth generation contour farmer on his 300 acres.

The fourth article was about recreation on the Minnesota River and concentrated on informing the public

Rain Barrel Education Workbook

This workbook is courtesy of Ramsey Washington Watershed District which eliminates duplication of materials.

◆ Storm Drain Stenciling

Justin Zingsheim, Troop 589 Life Scout in 8th grade completed a storm drain stenciling project to fulfill one of his requirements to become an Eagle Scout. With a crew of six peers and two adults, 160 drains were stenciled in four neighborhoods in Carver in four hours including the Hazeltine-Bavaria Creek watershed and two scouts handed out educational flyers. Eight groups with four people in each group participated in stenciling 100 storm drains. The District funded the stenciling materials at a cost of \$347.04.

Craig Migliori, Life Scout in 8th grade completed a storm drain stenciling project of 100 storm drains to fulfill one of his requirements to become an Eagle Scout in the Southbridge development east of Dean Lake in Shakopee. The District funded the stenciling materials at a cost of \$80.70.

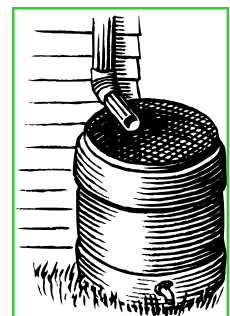
Sweeney Elementary's 4th grade class in Shakopee conducted storm drain stenciling of 100 drains in a residential area around the elementary school. The District's education coordinator spoke to the class on the day of stenciling about stormwater runoff and commend the students for protecting our water resources through storm drain stenciling. Savannah Mercado, a student, went before the board to tell them what the class learned through this project.

Go to www.watersheddistrict.org

(News Stories & Recognition sections)

The Lower Minnesota River Watershed District is preparing to go green in 2007, 2008, 2009. The City of Chaska owns the District's office building and talks have begun to implement pervious paver sidewalks, swales in the back yard parking lot, rain barrels, a rain garden along with front yard swales and possibly a green roof. There are plans for signage with all the new green designs and the public will be encouraged to view the stormwater runoff protection techniques.

Pa



Eagan Cable Comcast PSA



The District worked with the Eagan Comcast staff to run the “Rubber Ducky” PSA about storm drain stormwater runoff on cable TV. The PSA was originally put together by the City of Woodbury and was made so each entity could customize the PSA as long as credit was given to the City of Woodbury. The PSA ran three months two times a day.

Friends of the Minnesota Valley (FMV) Cleanup

The Board of Managers approved \$1,000.00 to assist with costs associated with their annual cleanup in the District.

U.S. Fish & Wildlife Rain Garden Project

The Board of Managers issued a check for \$35,000.00 towards the U.S. Fish & Wildlife’s Rainwater Educational Demonstration Garden project located at their headquarters in Bloomington in partnership with Friends of the Minnesota Valley.

Carver County Environmental Services Annual Metro Children’s Water Festival

The Board of Managers donated \$400.00 toward bus transportation for children from Carver County to the water festival at the State Fair grounds.

Workshop on Integrating Natural Resource Conservation into Land Use Planning

The Board of Managers issued a check for \$362.50 towards the cost of the meeting room rental for this workshop held at the University of Minnesota Arboretum. Target audience was city and county staff and officials.

Annual District Minnesota River Tour

2006 river cruise is a floating Chautauqua dedicated to TMDLs

On Thursday, August 24, 2006, about 100 guests were treated to the District's annual cruise down the Minnesota River. Along the way, from Savage's grain terminals to St. Paul's Harriet Island in the Mississippi, we soaked in the sights and sounds of the rainy Minnesota and Mississippi rivers while we listened to science professionals speak about the health of our rivers and streams as measured in TMDLs (Total Maximum Daily Loads of various pollutants).

Guests included stakeholders of the Lake Pepin region and professionals, along with various state legislators and city and county representatives. Speakers included Norm Senjem, of the Minnesota Pollution Control Agency (MPCA), who summed up a Lake Pepin TMDL project; Carrie Jennings, of the Minnesota Geological Survey, who provided a trenchant geological background; Hal Runke, Barr Engineering, who talked about a Nine Mile Creek restoration project; John Anfinson, of the US Park Service, who gave an historical perspective on the rivers’ health; Dan Wilcox of the US Army Corps of Engineers; and Terry Schreiner of the US Fish and Wildlife Service, who discussed wetland flora and fauna. In addition, two Metropolitan Council scientists, Cathy Larson and Kent Johnson, plus Dennis Wasley from the MPCA, conducted in-cruise measurements of Minnesota River water quality.



Guests begin to board at Cenex Harvest States in Savage

Boundary Change Work continues on boundary changes. The City of Chaska and Carver County have given the District verbal approval for moving the boundary at the sub-watershed, which drains to Fireman’s Lake and a small area north of the Chicago Northwestern Railroad, when then drains to East Chaska Creek. BWSR has confirmed this would be a minor amendment.



FUTURE ACTIVITIES

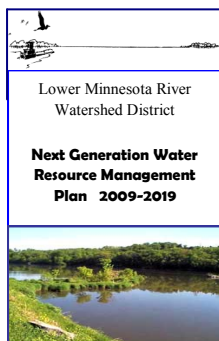
Gully Inventory and Repair of Eroded Sites

Work continues on this project to repair eroded gullies and eroding stream tributaries to the Minnesota River as we move into the feasibility studies phase in 2007 partnering with cities north of the Minnesota River. Studies will identify what needs to be done in order to stop the gully erosion and the cost of the repairs.

Also a gully erosion inventory will be completed south of the Minnesota River by the Minnesota Conservation Corp in 2007 and the data compiled will be shared with those affected cities. Then using the same process utilized north of the Minnesota River, it is anticipated that the District will partner with those cities interested in stopping the gully erosion in their cities.

Monitoring

District monitoring will continue within the District with the potential for additional monitoring as gullies are improved under the District's Gully Inventory Program.



Next Generation Water Resource Plan

Over the next two years, the District will be preparing their next generation plan.

LMRWD Staff and Consultants

Terry Schwalbe, Administrator, terrys@lowermn.com Joan Ellis, Asst. Administrator, joane@lowermn.com

Bonestroo, Engineers 2335 West Highway 36, St. Paul, MN 55113

Bruce Malkerson, Malkerson, Gilliland, Martin LLP, Attorney, 220 South Sixth Street, Suite 1900, Minneapolis, MN 55402

HLB Tautges Redpath, Ltd., Accountant, 4810 White Bear Parkway, White Bear Lake, MN 55110

