

Minutes- Approved: 8.19.2026
Meeting Type: Board Meeting
Time/Date: 7:00pm CST, July 15, 2026
Location: Carver City Hall, 316 N Broadway St, Carver, MN
55315



LOWER MINNESOTA RIVER
WATERSHED DISTRICT

1. CALL TO ORDER AND ROLL CALL

President Barisonzi called the meeting to order at 7:00 PM CST.

Managers Present: Joseph Barisonzi, Carter McNew, Vinatha Viswanathan, Kyle Bakkum

Staff Present: Will Lytle, Linda Loomis, Della Young, Damaris Canales

Others Present: Mayor Courtney Johnson, Andy Hering, Kati Johngrass, Daniel M. Max, Jim Davis, Beverly Burnett, Tom Fahey, Jody Brennan, Lee Peterson

Action: Approval of the 7.15.2026 Agenda.docx as presented.									
1st:		2nd:							
Bak.	Y	McN.	Y	Vis.	Y	Bar.	Y		
Motion Carried									

2. PUBLIC COMMENT

No formal public comment was received.

3. PUBLIC HEARINGS, PRESENTATIONS, COMMUNICATIONS

The board received a presentation from the Mayor of Carver regarding the ongoing Carver Levee Project, a major flood mitigation initiative designed to protect the City of Carver from future flooding while preserving the community's historic character. The presentation was framed as a collaborative update for project partners, with an emphasis on identifying successes, challenges, funding status, and areas where continued partnership and support may be needed. Board members noted the organization's role as both a supporter and funding partner in the effort.

The Mayor expressed appreciation for the board's past support, acknowledging previous funding contributions and recalling a prior presentation that occurred during the COVID-19 pandemic. The update focused on the project's progress since that time and highlighted how significantly the project has advanced. The Mayor explained that the information being shared was based on a recent presentation given by the city's engineering team to the Carver City Council.

A substantial portion of the discussion centered on the financial status of the project. The total estimated cost of the levee project is approximately **\$15.5 million**. To make the funding effort more

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manageable and attractive to grant providers and partner organizations, the project has been divided into three primary geographic sections. These include the **Spring Creek area**, located behind City Hall, and two segments along the **Minnesota River**, one west of Spring Creek and one east of Spring Creek. This phased approach allows funding partners to support specific portions of the project rather than requiring commitment to the full cost all at once.

The Mayor reviewed the project's funding history, noting that the effort began with a **\$150,000 grant from the Minnesota Department of Natural Resources (DNR) in 2020**. This was followed by a **\$100,000 contribution from the Lower Minnesota River Watershed District in 2021**, for which the city expressed particular gratitude. Additional state and federal funding has subsequently been secured, bringing total funding commitments to approximately **\$12.75 million**. While the project remains short of full funding, the Mayor emphasized that the city is closer than ever to completing the financing package and expressed optimism that the remaining gap can be closed.

The presentation also addressed the design and construction aspects of the levee system. The Mayor described plans to install **flood walls behind City Hall** rather than constructing a traditional earthen levee berm. This design choice is driven by space limitations between existing buildings and the need to provide effective flood protection without disrupting important city infrastructure. The flood wall approach allows the project to achieve its flood-control objectives while working within the constraints of the developed area.

Historic preservation emerged as another key theme of the discussion. The Mayor emphasized the significance of Carver's historic district, noting that it is among the largest contiguous historic districts listed on the National Register of Historic Places. Protecting these historic structures is a major project priority, and city leaders have intentionally designed the levee improvements to avoid adverse impacts on the district's historic resources. Visual renderings were referenced to help illustrate how the proposed flood protection measures would appear from the City Hall area and how they would integrate with the surrounding environment.

Toward the end of the discussion, board members broadened the conversation beyond the levee project itself. Comments indicated that there are additional environmental priorities within the watershed, including a gully area identified as a priority for future attention. Board members acknowledged that collaboration between the city and partnering organizations will extend beyond the levee project and may include other environmental improvement efforts, cost-sharing

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opportunities, and watershed-related initiatives in the future. The presentation concluded with expressions of appreciation and recognition of the ongoing partnership among the involved organizations.

4.CONSENT AGENDA

The board approved all items contained within the consent agenda through a single vote.

Action: Approval of the Consent Agenda as presented.									
1st:		2nd:							
McN.	Y	Bak.	Y	Vis.	Y	Bar.	Y		
Motion Carried									

5. NEW BUSINESS

During the new business portion of the meeting, the board first considered the **2024 Annual Audit and Governance Communication Report**, which had been reviewed and recommended by the Finance Committee. Staff presented the Fiscal Year 2024 Annual Fiscal Budget Report along with the auditors' governance letter, recommending that the board formally receive and acknowledge both documents. The discussion surrounding the audit extended well beyond the routine acceptance of the report, evolving into a broader conversation about public sector auditing standards, public expectations, and the distinction between compliance auditing and fraud detection.

Board members expressed concern that the public often misunderstands the purpose and limitations of standard financial audits. One member noted conversations with leaders involved in public auditing and remarked that heightened public attention to government fraud has increased scrutiny of audit processes. Members discussed the need for policymakers and legislators to recognize that smaller governmental entities may require additional resources to obtain more comprehensive oversight and auditing services. There was interest in advocating for future legislative funding that could help local governments access stronger audit capabilities without creating unreasonable financial burdens.

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A significant portion of the conversation focused on the gap between what professional auditors are hired to do and what the public assumes an audit accomplishes. Members emphasized that the auditors completed their work according to the appropriate professional standards and that there was no criticism of the audit itself. However, several board members observed that a traditional annual audit is primarily designed to determine whether an organization is complying with accounting principles, reporting standards, and legal requirements. It is not intended to function as a forensic investigation specifically designed to uncover fraud.

Board members acknowledged that this distinction can create confusion. The board discussed how many members of the public interpret a statement that an organization "passed its audit" as evidence that no fraudulent activity exists. Participants noted that this perception can create both political and operational risks because a clean audit opinion does not guarantee the absence of fraud. One member referred to a "delta" between professional expectations and public understanding, explaining that closing this gap through education and stronger oversight should be an ongoing priority.

The consensus of the board was that the organization had successfully fulfilled its obligations regarding the 2024 audit. At the same time, concerns raised during the discussion were characterized as a cautionary issue or "yellow flag" that should be examined further through future budget discussions and policy considerations. The board signaled its intent to explore ways to strengthen oversight and improve understanding of audit limitations while continuing to meet all statutory requirements.

Following discussion, the chair confirmed that the Finance Committee's recommendation had been properly placed before the board. After obtaining the necessary second, the board held a final opportunity for questions and comments. Receiving none, the motion was brought to a vote and passed unanimously, formally receiving the FY 2024 audit documents and governance communication.

Later in the meeting, the board returned to Finance Committee business and considered a **resolution approving mid-year budget adjustments for Fiscal Year 2026 and authorizing district administrators to implement those adjustments**. This item was presented partly in

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Action: Approval to Receive 2024 Audit									
1st:		2nd:							
McN.	Y	Vis.	Y	Bak.	Y	Bar.	Y		
Motion Carried									

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Action: Conditional approval of the Prairie Bluff Commons project (LMRWD No. 2025-016)									
1st:		2nd:							
McN.	Y	Bar.	Y	Vis.	Y	Bak.	Y		
Motion Carried									

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Action: Approval of the 3 presented standard Permit Renewals extensions									
1st:		2nd:							
Vis.	Y	Bak.	Y	McN.	Y	Bar.	Y		
Motion Carried									

Action: Approval to adopt Resolution 26-08 Enhancing Partnership with Federal Agencies.docx									
1st:		2nd:							
McN.	Y	Bak.	Y	McN.	Y	Bar.	Y		
Motion Carried									

6. OLD BUSINESS

During the Old Business portion of the meeting, the board received a status update regarding the ongoing **boundary change petition review process**. Staff provided a verbal report outlining the steps that have been taken since the board's previous discussions and described the current status of the review. The update focused primarily on coordination efforts among multiple governmental entities, staff capacity considerations, and the development of a policy framework that will guide future analysis and recommendations.

Staff reported that the district had formally received the petition and begun preliminary coordination efforts with both **Scott County Watershed Management Organization (WMO)** staff and **Carver County WMO** representatives. Meetings had already occurred with Carver County officials to discuss potential approaches to processing the application, including consideration of a joint review process versus separate applications. While substantial preliminary communication had taken place among involved agencies, staff emphasized that they had not yet begun the formal technical review process using the district's established checklist and evaluation procedures.

The board learned that district staff had focused their initial efforts on internal preparation rather than substantive review. Communication had occurred among the engineering team, legal counsel, and administrative personnel to ensure that the necessary processes, responsibilities, and organizational structures were in place before launching a detailed evaluation of the petition. Staff

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indicated that while progress had been made in establishing an internal framework, capacity limitations had delayed the start of a comprehensive review.

When asked about the cost and staff time associated with reviewing the draft petition, staff estimated that approximately **10 collective staff hours** had been spent to date. However, they noted that this work represented only the preliminary stages of the process and that the bulk of the review effort had yet to begin. Staff suggested that the project would likely require a tiered review approach as the analysis becomes more detailed and complex.

A significant portion of the discussion focused on recommendations received from Carver County officials. Staff explained that county representatives and elected officials had encouraged participating agencies to treat the matter as a collaborative process and potentially develop a preliminary proposal, or "straw man," that stakeholders could use as a starting point for discussion and refinement. The concept was presented as a means of helping multiple jurisdictions identify areas of agreement and disagreement while improving communication among stakeholders.

Despite recognizing the potential value of such an approach, staff expressed reservations about whether the district currently possesses the capacity necessary to develop a comprehensive proposal independently. Staff stated that the watershed management planning process remains a critical factor and suggested that the district may not yet be sufficiently far along in its planning efforts to produce a meaningful draft recommendation. It was also noted that, in many respects, the district had already received what could be considered a draft "straw man" proposal from other parties and that evaluating and responding to that proposal would itself require a considerable investment of staff resources.

The board then revisited actions taken at its previous meeting related to the development of a **policy framework** for evaluating boundary change requests. Board members confirmed that staff had previously been authorized to prepare a framework of policy positions and evaluation criteria that would serve as the basis for analyzing any future recommendations. Staff confirmed that this framework remains the intended foundation for the district's review process and would guide its consideration of the petition as work proceeds.

Discussion also touched on communication with Scott County and other stakeholders regarding the board's earlier actions. Board members sought clarification on whether feedback had been received

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concerning the district's development of the policy framework and how that information might influence the continuing review process. The overall tone of the discussion reflected a desire to ensure that any eventual recommendation is grounded in established policy principles, coordinated with partner agencies, and supported by a thorough analysis of the impacts associated with proposed boundary changes.

Toward the conclusion of the discussion, a motion or direction was placed before the board and was properly moved and seconded. Following an opportunity for additional questions, comments, and concerns, no further discussion was raised. The chair then announced that the board's intended direction to staff had been approved unanimously. While the transcript excerpt does not contain the exact wording of the motion, it is clear that the board reached unanimous agreement and provided formal direction for staff to continue work related to the boundary change petition review process.

Action: Approval for staff to continue the review of the boundary change petition under the board's policy framework by coordinating with the affected WMOs and returning with recommendations.									
1st:		2nd:							
Bak.	Y	Vis.	Y	Bar.	Y	McN.	Y		

7. ADMINISTRATIVE REPORTS

During the **Administrative Reports** portion of the meeting, staff provided updates on several ongoing financial, operational, and governance matters affecting the district. Unlike previous agenda items, this section was largely informational and focused on project funding status, upcoming meetings, professional development opportunities, legal transition activities, and broader strategic considerations related to watershed and river management.

The administrator began by reporting favorable developments regarding project funding and cash flow management. Staff advised the board that the **Minnesota Department of Natural Resources (DNR)** had completed processing and was preparing to issue the final

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state payment associated with **Area 3 funding**. In addition, Prairie-related funding partners were processing outstanding invoices, and another funding entity had already submitted its payment. As a result, the district anticipated receiving and disbursing the majority of the remaining project funds in the near future. Staff characterized this as an important milestone because several major cash-flow transactions that have required ongoing management would soon be finalized, simplifying administration and improving overall financial certainty.

The board also received an update regarding professional and strategic engagement opportunities. The administrator informed members that registration had been completed for the **National Waterways Conference Annual Meeting**, scheduled to be held in the Quad Cities in August. The administrator indicated an intention to attend regardless of whether district funds ultimately supported the travel. The conference was described as particularly valuable because it focuses on issues relevant to large-scale river systems, navigation, infrastructure, and waterways management. Staff noted that such conferences are often held in coastal regions, making this Midwestern location a relatively rare and convenient opportunity for participation.

Particular emphasis was placed on the district's growing interaction with regional port and river organizations. Staff reported that a ports-related organization had recently initiated a **Northern Grain Belt Ports effort**, expanding its interest into Minnesota and areas closer to the district's jurisdiction. The administrator explained that the district had received a direct invitation and discounted registration pricing, reflecting growing recognition of the district's involvement in river-related planning and infrastructure discussions. This update underscored the district's increasing participation in both regional and national conversations concerning river commerce, waterway infrastructure, flood resilience, and watershed management.

The discussion then shifted to logistical planning for the district's upcoming meeting and public hearing. Staff explained that they were working with the **City of Shakopee** to secure meeting space within the city's Community Center, specifically a second-floor meeting room. Because the facility's operating hours may not fully align with the district's meeting schedule, final confirmation had not yet been obtained. Staff indicated that if the

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Shakopee location could not be secured, the meeting would instead be held in the **City of Carver**, likely at a historic church building that is available as an event venue.

Board members highlighted the importance of the location decision because the next meeting is expected to include approval of the district's budget as well as payment authorizations and other significant business items. There was also interest in combining the meeting with a field review or tour of ongoing project work in the area. Staff confirmed that discussions had already occurred with city representatives regarding the possibility of district officials touring project sites before the meeting. While a joint meeting with local elected officials was not anticipated due to scheduling conflicts, district members could conduct a walkthrough with staff to gain firsthand understanding of completed and ongoing work.

The board next received updates from other administrative and professional service providers. When asked whether there were additional comments from district consultants, none were reported. Legal counsel then provided an update regarding the ongoing transition of legal services. Counsel stated that the onboarding process was largely complete and that file transfers from previous legal representatives had been finalized during the week. Work was already underway on several active matters, including dredging contracts and related legal activities. The transition was described as proceeding smoothly, positioning counsel to support the district's projects and operations effectively going forward.

Toward the end of the meeting, the chair reflected on the significance of a recently discussed flood protection project and its broader implications for river communities throughout the Minnesota River Valley. The chair explained that the district's **"River Will Not Wait"** framework emerged largely from analysis of projects similar to the one under discussion. According to the chair, communities along the Minnesota River face substantial infrastructure and flood mitigation needs, yet many do not possess a tax base capable of independently supporting such expensive initiatives. The chair noted that even communities that successfully secure funding often face significant challenges assembling local contributions and matching funds.

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The board discussion emphasized that these financial realities have prompted a broader examination of how river and watershed projects are funded and implemented. Members suggested that sustainable, regional approaches may be necessary to address long-term infrastructure demands, flood management needs, and watershed protection objectives. The chair described the current project as a useful case study illustrating the need for larger conversations about economic sustainability and equitable funding mechanisms for river corridor communities.

8. ADJOURNMENT

The meeting was adjourned at 8:25 PM CST.