

MAWD BOD Strategic Plan Development October 19, 2016,

I. History & Purpose: Watershed Districts were established with the Watershed Act, M.S., Chapter 103 D in 1955. From inception it was felt that Watershed Districts should be run by people somewhat removed from the political process, so they would be able to make tough and possibly unpopular decisions without worrying about political consequences. To facilitate this it was agreed that the position of Watershed District Manager would be appointed, rather than elected. Land use and zoning powers remained with elected city and county officials.

While the boundaries of watershed districts are determined by hydrologic lines of demarcation, rather than political boundaries, the organizations are established by local petition to the Board of Water & Soil Resources (a state agency). After filing of an establishment petition, the Board has the authority to establish a watershed district, define the boundaries of the watershed district and appoint the first board of managers of a watershed district as defined under Minnesota Statutes 103D.101. All subsequent Board of Managers are appointed by the associated County Boards of Commissioners as defined under Minnesota Statutes 103D.311.

Watershed District responsibilities have changed from their original objectives of focusing solely upon water quantity. Watershed Districts have now assumed responsibility for a wide-variety of water related concerns besides water quantity, especially those related to water quality, including wetlands, their restoration and groundwater management. The science associated with water quality and quantity issues continues to grow and as a result, awareness and application of these technologies is a significant consideration for Watershed District Boards and staff. This is commonly referred to as "sustainability."

Another important component of watershed work is engaging the public in its efforts through education, outreach and cost-sharing grants.

Watershed Districts work with multiple state agencies, such as Board of Water & Soil Resources, Minnesota Department of Natural Resources, Minnesota Department of Health, Minnesota Department of Agriculture, and Minnesota Pollution Control Agency. They work with federal agencies, such as Natural Resources Conservation Service, United States Army Corps of Engineers, United States Department of Agriculture, United States Environmental Protection Agency and United States Fish and Wildlife Service. They also work with cities, counties, and such organizations as Soil & Water Conservation Districts and regional governments, such as the Metropolitan Council. At all times a Watershed District must be responsive to the community or communities they serve as well as citizen groups, which may from time to time seek assistance from the District. This includes organizations, such as Lake Associations or Community Development organizations of many types.

II. Mission: MAWD provides educational opportunities, information and training for watershed district managers and staff through yearly tours, meetings and regular communication. The Minnesota Association of Watershed Districts (MAWD) represents 46 watershed districts in the state. The watershed districts are partners in water protection and management.

III. Vision: MAWD, in conjunction with Watershed Districts, seeks to protect and preserve the water resources of the State of Minnesota while addressing land management as well as water quality and quantity issues that affect the citizens of the State, both now and in the future.

IV. Strategic Plan Committee Membership and Intent: The MAWD Board of Directors (BOD) determined that the effective membership of this committee should consist of a Chair and Alternate Chair from the MAWD BOD, three (3) Watershed District Managers (BOM) representing the three Areas of the State as determined in MAWD membership and three (3) Current District Administrators (ADA) also representing the three Areas of the State of Minnesota.

- 1. Facilitation Schedule:** It was presented to and concurred by the MAWD BOD, in January 2016, that a succession plan should be ready for review and acceptance by the board, prior to the 2016 Annual Meeting. Presentation to the members of the Association would be made at the annual meeting on Dec. 3, 2016. Subsequent adoption and implementation of the plan would commence on a schedule to be determined
- 2. Content Elements, Preliminary and/or Potential:** Whatever content and emphasis is developed, presented and adopted by the MAWD BOD and subsequently by the membership, there should be a schedule of periodic review and assessment to determine if the Succession Plan is working, needs revision in part or total and remains pertinent to the objectives of the organization. This plan is being developed as a 3-year timeline with bi-annual review as the recommended practice.
 - A. Assessment of current situation** -MAWD BOD, MAWD members and members of ADA were surveyed in two separate surveys as authorized by the MAWD Board of Directors in January and February 2016. The preliminary and findings were reviewed and discussed at the Legislative Breakfast in 2016 and the final outcomes were presented and discussed at the Annual Summer Tour in Winona in June of 2016.

The survey conducted by this committee of both the MAWD District Managers and members of ADA provided a consensus opinion that future direction of the MAWD would best be served by separating the two primary functions: Administration and Lobbying. With that objective in mind, we have created a Succession Plan incorporating those two positions as primary responsibilities, Administration and Lobbying, for consideration by the Transition Committee, the By-Laws Committee, the Resolutions Committee and the MAWD BOD itself. A tentative time line of three (3) years was considered as reasonable for full and complete implementation.

During this three year period it may be found necessary or desirable to add positions as functions and needs change. When such changes are deemed functionally necessary and financially viable, appropriate job descriptions will be developed and adopted.

B. Communications Needs or Expectations

Both of the surveys indicated a need for greater and more effective communication between both the Administrative function and the Lobbying efforts so that Watershed District Managers and Administrators can take effective action. Determine Who to communicate to, What information or materials need to be communicated, When should it be communicated, How should it be communicated, Where can it be found (if a permanent record source is to be involved). Ultimately, the MAWD Executive Director will have the responsibility of meeting these needs and must develop an approach to collecting and disseminating these elements of information using multiple mechanisms.

1. Verbal Communication:

- a.** Proactive involvement that drives growth and change
 - Annual meeting programs and focus of information
 - Summer tour location selection and updated materials
 - Legislative breakfast to enhance contacts and programs
- b.** Enhance MAWD organization-wide discourse and issue focus
 - Social media
 - Chat logs
 - Email blasts
 - Resource identity and access

c. Peer-to-peer, employee-to-manager, manager-to-employee

- Affirm issues
- Create positive outcomes
- Answer the what, where, when, how, who variables

2. Written Communication:

- a.** Seek a robust and inclusive organizational culture. MAWD needs to consider how and when to open its' membership services and programs to other water-centric organizations, such as Water Management Organizations (WMO's), Soil and Water Conservation Districts, Environmental NGO's, Engineering firms, Legal Associations, etc.) We need to broaden our base so that we increase our voice and presence.
- b.** Continue to improve and focus on positive, cooperative communication.-(Between ADA & Managers)-we're all working for same goals
- c.** MAWD Newsletter to all parties with related interests on a timely basis for follow up actions, if necessary
- d.** Legislator outreach – How and when to communicate with legislators
 - Identified and well-articulated priorities of mutual interest
 - Key messages, with consistency
 - Regular legislative updates, both in and out session
 - Timely participation and testifying at committee hearings
 - Legislative email or Social media campaigns
- e.** Departmental Outreach
 - Partnering with organizations such as MPCA, DNR, BWSR-
 - Participating as partners on project teams
 - Being considered as a valued and invited partner
 - Website (new site) High Priority. Include helpful information for all, Managers, ADA, staff and anyone seeking details and information regarding water management.
 - Weekly update of events, information, legislative actions, new laws & regulations

- Archives of prior communications with access by topic
- A significant TOOL for the MAWD Network

g. Watershed District Boards -Support and encourage added training for administrative staff to better qualify them to take on added responsibilities, or greater depth of knowledge in existing services.

3. Crisis management and crisis communications are becoming even more urgent skill sets to administer. Whether by in person training, participating in on line webinars or other resources these are essential tools to offer to Watershed Districts.

4. Establish and maintain effective and timely communications between: MAWD the organization, MAWD paid staff, MAWD Members (District Board of Managers and staff).

C. Training needs or expectations

We need to better understand what training services may already be available and specific to our identified needs. MAWD needs to maintain awareness of access to and participation in offerings of the University of Minnesota, Department of Natural Resources, Board of Water and Soil Resources, Minnesota Pollution Control Agency, Federal Government agencies and any number of environmental NGOs who frequently offer substantial training on a wide variety of topics. MAWD should identify, evaluate and recommend appropriate training options to member watershed Districts.

All training needs and expectations addressed by MAWD should align and integrate with the findings the MAWD funded Training/Education Needs Assessment Study (Study) completed in 2016 (attached in Appendix). This document should act as a guide for the training/education needs of MAWD. The study provides detailed specifics about what, when and how training should be delivered.

These are the top training topics as identified by the managers and staff where knowledge of, exposure to, or participation in mutual activities, would offer beneficial training outcomes.

1. New Manager training

2. Watershed laws and rules

3. Board meeting management
4. How to establish and maintain positive working relations with counties and cities within the watershed District boundaries.
5. Administrator and staff training
6. Project funding methods
7. Open meeting law
8. Managing consultants
9. Crisis management

(Note: For further specific details see Appendix G)

V. Succession & Transition

MAWD has operated under the same structure and with the same personnel since the 1990's. It is understood that "Media & Government Affairs", our current service provider, is planning its exit/retirement strategy in an orderly manner from providing these services. Thus, we must consider the steps necessary to make that transition while enhancing the services provided to and expected by the MAWD Watershed Districts, both Managers and Administrators. To assist in this process the MAWD Board of Directors established an ad hoc Transition Committee.

To successfully accomplish these tasks we need to identify and prioritize specific personnel responsibilities and their individual timelines.

- A. Program Management:** Search for and contract with an agency or individual with the expertise and facilitation skills to continue our successful programs. This search and commitment should commence immediately upon completion of the 2016 Annual Meeting
 1. Annual Meeting/Conference
 2. Annual Trade Show
 3. Legislative Breakfast
 4. Summer Tour
 5. Special Events, such as Aquatic Invasive Species Conference
 6. Pre-Conference workshops
- B. Administrative Services:** Identify current needs and priorities from the extensive documentation of expected services and tasks,

shown in Appendix H, and determine which would remain "in house" and which need external support.

1. Website review and maintenance: What is on Website, what should be on Website and when should it be reviewed and updated.
2. Processing resolutions: This task should also include a review of all prior resolutions and their status, which could then be placed on the website for ongoing access.
3. Mailed Communications: What materials need to be mailed? Coordination with Convention Services for information, registration and reporting will be required.
4. Filing and Data Access: What materials have been kept and in what manner. What materials need to be kept and in what form. Where and how to both keep resource materials and current active materials.
5. Location: At some point during the Transition period a decision as to ultimate location and/or temporary location of MAWD offices needs to be implemented under the actions of the Transition Committee. There are multiple sites to consider, but proximity to the State Capitol is essential.

From and with existing MAWD BOD Committees; Transition, Personnel (Use Job Description DRAFT and Lobbying DRAFT, to fully prepare this segment) This segment should also present and discuss the proposed salary and costs of this new staffing and responsibility assignment. The two specific positions would be the new MAWD Administrator and the MAWD Lobbyist as previously defined with a supporting position description.

VI. Operating Costs, Structure & Personnel:

It is apparent that the financial needs of MAWD will be determined by the new Administrative and Lobbying structure we choose to employ. It is reasonable to attempt to determine what that structure would look like and so determine a more specific financial needs assessment.

As a comparison, we need to review how we are currently providing the services identified as "MAWD." We contract for an assortment of services under "Media and Government Affairs", which are essentially Ray and Peg Bohn. We agree to a basic monthly fee for those part-time services and pay additionally for such added support as printing, meals, lodging, mailing, etc. as

the needs of MAWD are supported. In that scenario we are not directly paying for benefits of any type as the entire services are "contracted."

- A.** Physical Space – Ultimately, we should expect to have a physical office from which the Administrator and related staff or functions are provided. However, during the transition period we may need to operate from temporary facilities. Such facilities could be identified, purchased, rented, leased or borrowed and used as needed or we could seek a co-location agreement with a watershed District, probably in the Metro area. Should also include access to modest conference room space to facilitate BOD meetings while in St. Paul. High volume telecommunications access must be considered as essential. *(At this time we are seeking input from Capitol Region as they are expanding their space. Estimate 500 square feet optimal, which would be about \$12,000 annually)*
- B.** Office Equipment – If we have a truly separate office space and financially supported facility, we will need appropriate office equipment; computer(s), copy machines, projectors, filing cabinets, tables etc. We could share those needs and pay a defined portion to a watershed landlord. *(Refer to prior comments re Capitol Region)*
- C.** Accounting services – Would expect to continue to pay for contract accounting and auditing services as we do now. *(Approximately \$5,500 annually)*
- D.** Legal Services – Also, legal services would be contracted for as we do currently. *(Contracted as needed, \$4,000 in 2016 budget)*
- E.** Convention services – Would remain the same. Contract for and pay as required. Should the extent and size of our annual trade show/meeting grow to a more significant extent we would consider it as a staff function. That is likely a much later decision to be made. *(Most recent year expenses budgeted at \$8,000 with revenue of \$16,000)*
- F.** Staff – Initially staffing of subordinate positions will be limited to probably no more than secretarial services and communications specialist, both could be part time employees. *(Estimated part time secretarial services and communications specialist(s) at \$35,000 annual. Must add or include potential benefits costs as well, if employee's)*
- G.** Lobbying services – Depending on the capabilities and needs of the person or persons selected to best meet MAWD needs we may need, if an employee, to provide access to office equipment,

filing services, telephone, meeting space, etc. Since we would initially not require a full time presence, implying a contract agent, it should not be necessary to provide specific office space. *(See Lobbying services job description and expectations to do a realistic compensation estimate. But, expect costs to be \$50,000 annually under contract and more if actual employee due to benefits)*

- H. Communications – At minimum access to a WIFI Network on premises, but should consider a separate proprietary high speed, high volume internet connection with associated operating costs. *(Initial estimate at \$2,500 per year)*
- I. Credit Card Services – Multiple credit card services associated with meetings, services and other transactions, either directly by Executive Director or through MAWD Board Treasurer. *(Currently running at \$2,500 per year)*

VII. Financing, Funding Sources:

Additional financing options or sources will need to be explored as the structure and services of MAWD are developing. With the proposed schedule allowing continuation of the Lobbying activities under the current plan for up to three (3) years, the financial changes will be adjusted as required over that period. The following options have been considered as potential solutions in raising those funds:

- A. Increase the dues according to a formula structured in part by the services used in the member watershed districts. This would seem to be the opportunity with the greatest potential in added funding, but would also need to be extremely well presented and structured as it would also raise the most significant resistance. **It is noted and understood that the regular budget funds requests for Watershed Districts for the coming year 2017, have been submitted to and incorporated in the appropriate county tax levy based budgets. Thus, any proposed increase in dues could not be fully implemented until the 2018 budget cycle. Should the Succession Schedule or other circumstances require an action during 2017 the only means of funding it would be through expending the currently maintained MAWD Budget Reserves.**

Note: see Appendix A for proposed new dues structure.

- B.** Increase the revenue potential from the various added services and activities of MAWD, such as Annual Meeting, Summer Tour, Legislative Breakfast, or other training and information events. In the following Tabular presentation from the 2016 budget (with 2015 actuals) you can see what potential income is being or could be generated through enhancement of these

<u>Event</u> <u>(2015)</u>	<u>Budget</u>	<u>Actual (2015)</u>	<u>Costs</u>
Annual Meeting	\$50,000	\$51,861	\$37,161
Trade Show	\$15,000	\$16,285	\$4,932
Summer Tour	\$12,500	\$15,530	\$18,367
<u>Legislative Breakfast</u>	<u>\$7,500</u>	<u>\$10,083</u>	<u>\$7,233</u>
Total	\$85,000	\$93,579	\$67,693
Net	\$17,303	\$29,886	

In the most optimistic analysis we cannot regularly project more than a \$15,000 surplus of income over expenses so that this source cannot support the dramatic changes forthcoming. And, we already apply these modest amounts of excess revenue to support training and communication efforts also in the budget.

- C.** Expanded membership should be seriously considered. For example, opening the opportunities of membership to Watershed Management Organizations as Associate, Non-Voting Members could raise reasonable dues income. Then, offering Affiliate Membership to various supporting organizations, such as engineering or legal firms active in Watershed operations could be facilitated while decreasing their fees for Trade Show participation.
- D.** Temporary surcharges or increased costs during the transition based on added supports used by Watershed Districts. This may be a short term solution, but unless significant improvements are made to the services delivered, a temporary increase would be soon turned off. Estimate that a reasonable transition period might be 3 years from passage of the changes at the 2016 Annual Meeting.

- E.** Shared services or facilities such as space rental, equipment, training, etc., are proposed as an element of the ongoing plan. They would reduce the amount of additional revenue needed or investment in capital equipment and facilities. The critical issue with this scenario would be the selection of the partner organization and the development of a long term working agreement.
- F.** Part time employee services on an as needed basis. Contract services where reasonable. Avoid the commitment and expense of various employee operating costs, such as medical and retirement, through contracted services
- G.** There are a number of organizations which have offered either participation in or funding of the development of Educational Opportunities, Training on Management techniques, Technical information not yet in current application or similar topics of interest to MAWD and its' members. We need to establish a "Grants Development" committee of Administrators and Managers to identify and successfully seek such grants.

MAWD is currently limited to dues collected and excess of revenue over expenses from various events and meetings. The amount of adjustment necessary will be determined by the structure and services to be delivered.

VIII. Bill and/or Resolution Development:

This process must be regularly communicated to managers and administrators. We need a process that actively encourages Watershed Districts to look at needs and proposed solutions in the form of legislative actions to resolve water issues.

These proposals need to be discussed, and a specific development path agreed to under the direction of the MAWD BOD Resolutions Committee or similar structure. Specifically, we need to better determine the position of partner organizations and how to present to the legislature as a mutual effort or concern, rather than an apparent single want or need.

- 1.** Process needs clarification and specific steps to submittal
- 2.** Timelines for submittal, discussion, review and passage need clarification and enforcement. Also, presentation mechanics
- 3.** Appropriate notices to WD Managers and Administrators
- 4.** Calendar of Legislature

IX. Review and revise MAWD Bylaws:

The existing MAWD By-Laws have not been reviewed or revised since 2009. On review, it has been found that we are in conflict on several clauses in the current version. In the attached DRAFT Appendices we offer the current version as well as a potential revised version for consideration. Further, we believe that as this process progresses, we should expect to review and revise on a bi-annual basis under the direction of a Standing By-Laws and Policy Committee (to be established in the new By-Laws) We must prepare a minimal By-Laws change to enable the incorporation of Associate and Affiliate members to increase dues revenue.

X. Operations and Procedures Manual:

The new Executive Director should prepare this type of document to offer day-to-day consistency and structure in operations removed from By-Laws to make a "stand alone" document. It should be simple and straight forward as well as enabled of rapid change in the event of either new legislative actions or management direction. When developed, this document should be included in the current Watershed Managers manual or may become a new standalone document, depending upon content. These type of materials should also be directly available to all users via Website access.

XI. Record of Policies Manual:

Since the inception of MAWD as a service organization, it has originated and facilitated a number of "Policies" as well as "Presented" for adoption by the State Legislature a number of position papers, proposed language and actual "Final" documents. All of these documents need to be identified, tabulated, categorized as to content and then made available to Watershed Managers and Administrators in both hard copy and electronic versions. The Resolutions Committee of the Board of Directors should assume this responsibility.

Appendices

A. Financial Projections of Tax Levy Proportional Funding

- 1. Tax Levy Basis, SWCD's**
- 2. Tax Levy Projections 2017>18 DRAFT**

B. ADA Evaluation of Needs and Priorities

C. ADA & Manager Survey of Perceived Needs and Priorities

D. MAWD BOD Funded Survey of Educational & Training Needs

- 1. Detailed Survey**
- 2. Survey Presentation**
- 3. Full Report, as submitted**

E. Job Descriptions and Functional Requirements

F. Checklist of Board & Manager Responsibilities

G. By-Laws, Current and Proposed DRAFT Revision

- 1. Current By-Laws**
- 2. Proposed Revision**
- 3. Potential Policy & Procedures**

H. Potential New membership, Definition and Criteria