MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Minnesota Board of Water & Soil Resources

Future Technical Service Area Management and Structure Analysis

Submitted by
Freshwater Society

FRESHWATER SOCIETY

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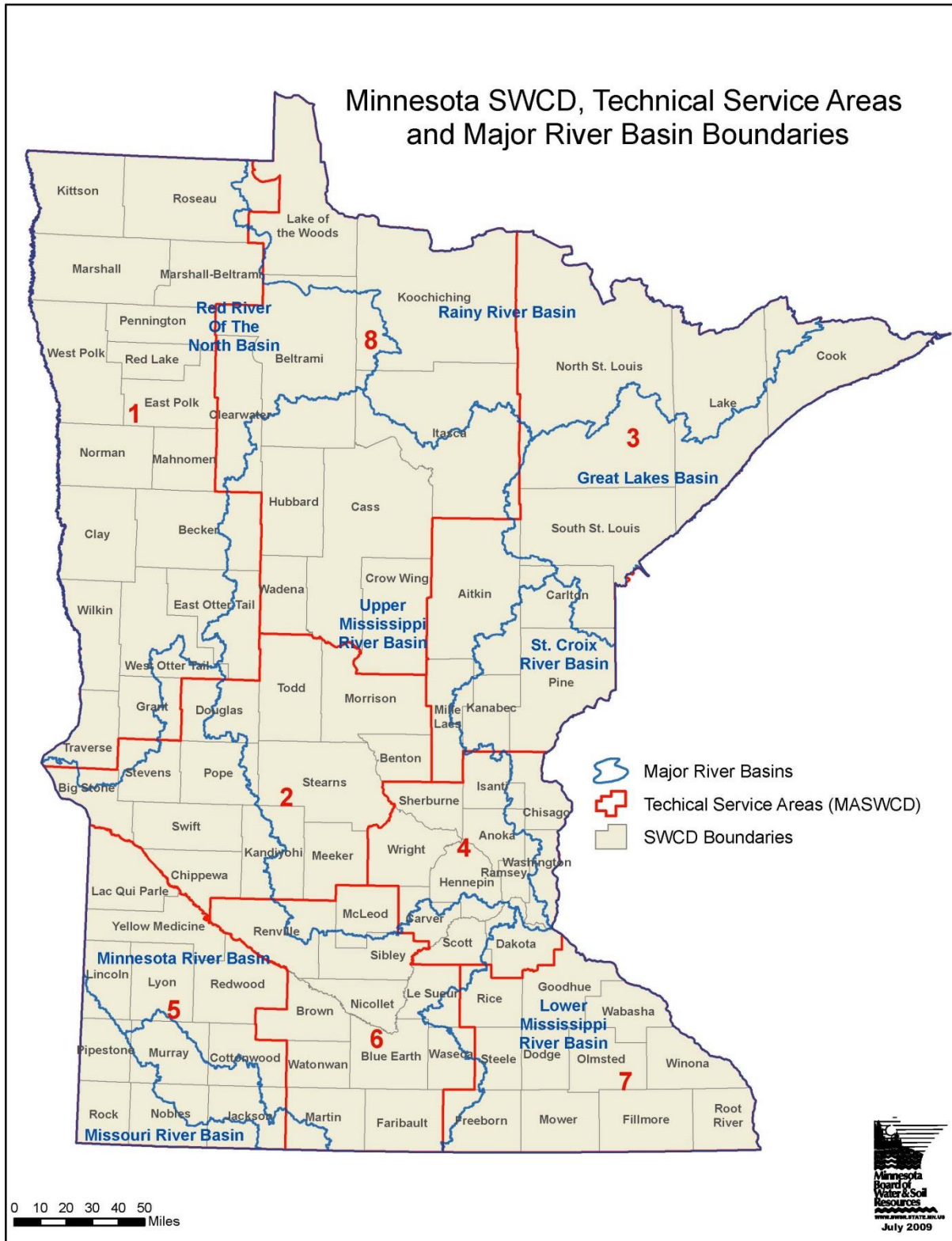Minnesota Board of Water & Soil Resources
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Figure 1- Technical Service Areas

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Project Purpose and Goals

The purpose of this project is to "evaluate the current state of TSA workload/need, structure, and management statewide. The project will also yield a set of findings and recommendations designed to bring efficiencies to TSA operations and to meet current and future demands for accelerated conservation implementation."

The TSA system is a statewide system with a variety of regional differences. Each region has made adjustments to the base system in order to accommodate local resource needs, local political systems, levels of funding, and the demands placed on staff resulting from the geography of the area.

This report will provide BWSR & MASWCD with an analysis and recommendations related to:

1. The workload need/projections/scope for TSA engineering and other technical assistance required to meet current and future soil and water conservation goals.
2. Barriers and/or issues which are seen as impediments to TSAs being relevant, efficient, and well managed in light of growing expectations for engineering and technical assistance created by the legislature, local, state, and federal agencies, and Clean Water Fund programs and investments.
3. Exploration and documentation of realistic options that if implemented could result in:
   a. Equitably addressing current and projected workload demands including potential necessary structural/alignment changes.
   b. Addressing day-to-day management of project work and administration of TSAs, efficiently and effectively.
   c. Other ways to share or provide services.
   d. A more financially sustainable TSA structure.
4. Recommendations comprising one or more of the identified options:
   a. A timeframe to implement adjustments that will allow findings and recommendations to be considered as part of the FY18-19 legislative and budget processes.
   b. BWSRs role in oversight and accountability.
   c. Desired role of TSA in the partnerships Technical Training and Credentialing initiative.

Scope of Work

A work group of 32 was organized (8 TSA host district managers, 16 TSA Board members, 2 BWSR advisors, 2 MASWCD representatives, and 4 Agency Representatives) to lead the work. The work group met twice to identify barriers and challenges in the current system, and consider other organizational and management options. Small sub-groups working as design teams recommended several approaches to address those barriers. It is important to note that the focus of this work is to improve the delivery and administration of *conservation technical services*, NOT the equal geographic distribution of engineers and engineering technical *staff*.

Discovery activities included:

1. A survey was designed and distributed to all 87 SWCDs to gain insights into the extent to which SWCDs utilize TSAs for their technical service needs, the barriers SWCDs face in using TSA technical services, and the role of TSAs in training SWCD staff. 74 districts or TSAs responded to the survey.

2. Two workshops were held with the work group to examine the current TSA model of organization and management, and what it would take to 'build a better model'. Work group members were invited to start from scratch, and recommend an entirely new model of organization and management for TSAs than what is currently in place. It is telling that the group declined to throw the whole system out, instead focusing on challenges that constrain the effectiveness of the current system, and a set of options for subtle refinements that make the current system more responsive to their needs.

3. Project facilitators conducted 6 hour-long solo interviews with SWCD managers and agency staff to gain a deeper understanding of specific structural and management challenges.

4. Three regional meetings were held in spring 2017, to gather input from a broad array of SWCD staff, managers and board members, and TSA staff. Invitations were sent to 230 staff members, 108 of whom attended one of the three regional meetings.

   Meetings were held in the northern, central, and southern BWSR-designated regions:

   - April 4- Mankato
   - April 11- Bemidji
   - April 13- St. Cloud

   In the regional meetings, participants were asked a series of questions as a place to begin conversations:

   Part One- What system do we have now?
   - What is it about the TSA that works well in your Area?
   - What is it about the TSA that you would most urgently like to change?

   Part Two- What could the system be?
   - What service will TSAs provide?
   - How will services be delivered?
   - What type of governance is best for your area?
   - How will your area handle hiring and HR responsibilities?

   Part Three-

- How do we get from here to there?

Comments were summarized into a draft report, and sent to all 230 staff members who were invited to the regional meetings. Recipients were invited to add to, change, clarify, and comment on the draft summary. Comments were integrated into this final report.

A final meeting of the work group was held to clarify recommendations and approve the final report.

Project Findings

This section will summarize the major findings that emerged through conversations of both the working group and the regional meetings. The information in this section summarizes the issues and barriers that act "as impediments to TSAs being relevant, efficient, and well managed," and serve as the basis for the recommendations in this report.

System-wide Challenges

The major statewide challenges that emerged from conversations with participants are:

1. Lack of technical capability at the local level (SWCDs), leading to excessive reliance on TSA technical staff for technical assistance;
2. Administrative and project management demands that are not well understood, not fully supported by existing BWSR systems, and are chronically underfunded; and,
3. Lack of sufficient, non-competitive, predictable funding to support shared technical assistance

There is a widely acknowledged need for increased technical capacity at SWCDs. "Technical capacity" is a broad term that merits clarification. "Increasing technical capacity" could mean:

- Hiring new staff with technical capability in engineering, agronomy and other skills related to land use practices
- Training, certification and Job Approval Authority for existing staff members
- Contracting for additional technical assistance from other SWCDs, or private firms

For the purposes of this report, "capacity" is defined as the capability of staff to perform engineering, forestry, and other agronomic tasks related to conservation land use services and practices, including surveying, site assessment, designing simple conservation practices, construction oversight and other related work.

The lack of technical capability at the local level is the result of a longer-term shift in the SWCD workforce. SWCDs are experiencing a "generational shift" in staffing. Three factors influence this shift: a surge in conservation work being delegated to SWCDs, a recent rise in retirements, and a corresponding spike in hiring less experienced staff. In practical terms, that means at the same time

SWCDs are being asked to undertake more work they are hiring more staff members who lack Job Approval Authority (JAA), and field-based experience with conservation services and practices.

Compounding the problem, work group members indicated that the National Resource Conservation Service (NRCS) is pulling back on some of the conservation technical assistance districts once depended on, and are declining to work on projects that do not have NRCS dollars involved. The lack of local technical skills has driven SWCDs to turn to TSAs for technical assistance on even the smallest, least complex conservation projects. That heavy reliance on TSAs has created a backlog of projects. High-value TSA engineer time is consumed with lower-level preparation work that should fall to staff at individual districts. The backlog of projects increases wait time between when a landowner applies for assistance and when the project design is delivered and approved. Long delays in the delivery of project designs cause landowners to back out of projects as conditions on their land, and economics, change.

Because many SWCDs and TSAs rely on numerous competitive grants to fund both their operation and technical assistance, TSA host sites spend administrative time applying for and tracking funds, staff time, personnel management, managing office space and equipment, and reporting on grants. Some SWCDs have shifted much of the financial administration of grants and special programs to the TSA host site. There is a perception that administrative and project management time is undervalued and underfunded. In addition, there is no overall program coordination by a dedicated BWSR staff person or persons. That has led to TSAs being somewhat isolated, with few opportunities to share innovations and strategies among areas.

Cutting through all of these challenges is a chronic struggle for sufficient, non-competitive, predictable sources of funding for local conservation technical assistance. Without predictable sources of funding, districts are reluctant to hire full time engineering staff, knowing that if funding disappears or is unexpectedly cut, staff will be laid off. This continues to be true even with the recent appropriation of $22 million in Clean Water Funds (CWF). Because the source of the funding is CWF, districts do not trust the funding will be non-competitive and/or predictable.

From Narrative to Solutions – Recommendations to Increase Efficiency in the Conservation Delivery System

Thinking about things as systems means looking for how every part relates to others. Any system is usually connected to other systems, both internally and externally.

In the analysis of the TSA system, organization and management challenges appear to be symptoms of more pervasive problems than simply "organization and management." The statewide issues identified by participants in this effort are interconnected and yet they need to be explored and understood separately in order to find solutions to the challenges they present to TSAs and their member districts. System-wide issues are explored in the following section.

Several other issues were identified by specific districts, and in general apply only to those areas. BWSR will need to address those individual concerns at a more local level, and has a history of doing so. Individual area concerns and recommendations on how to address them will be discussed in a subsequent section.

System-Wide Needs and Recommendations

Some of the challenges in the state's conservation delivery system are pervasive throughout the system, and will need to be addressed at a system level if TSAs are going to "meet current and future demands for accelerated conservation implementation," regardless of any subsequent changes districts decide to make in how their TSA is organized and managed. The following recommendations emerged from conversations with the work group, and the regional meetings held to gather input.

<u>Local Capability</u>

Local capability is a pervasive concern. One of the most significant steps the state could take to "bring efficiencies to TSA operations and to meet current and future demands for accelerated conservation implementation" would be to increase the technical capabilities of local SWCD staff by investing in technical training and certifications, and increase the number of local staff who hold JAA. Participants suggested a set of measures to address this need. Many of these recommendations refer to initiatives currently in progress. In those cases, participants request that BWSR give them regular updates on progress, and offer frequent opportunities to offer input to ensure the resulting programs meet the needs of TSAs :

- Develop a comprehensive, interactive, searchable inventory of the technical capability at SWCDs. SWCDs want to be able to update the capability inventory as staff members leave, new staff are hired, new training and certifications added, and new Job Approval Authority is awarded. Knowing which skills and experience each staff member (or potential hire) has will help SWCDs make better-informed staffing decisions, and allow TSAs and member districts to search for personnel who have specialized skills when the need arises. Participants expressed a preference to make this inventory an enhancement

to eLink, to avoid developing duplicate or additional reporting systems, and to increase user acceptance.

- Give TSAs and member districts the option to expand the variety of services that could be shared across district and TSA boundaries. In addition to purely technical assistance, districts want a searchable database to help them identify personnel with expertise in GIS, Forestry, Wetlands, Soil Health, Nutrient Management, Communications and Outreach, grant writing, and administrative services. These specialized services may not warrant a full time position at every district, but they contribute to a district's effective delivery of conservation services. Shared services could be accessed as fee-for-service from a neighboring district that has a full time specialist on staff, as a shared TSA position among several SWCDs, as a service shared across TSA boundaries, or all of the above.

- Develop a menu of core competencies needed in each district, and area. BWSR is Developing a set of core competencies SWCD staff members should have that are common to ALL SWCDs and TSAs. MASWCD has expressed strong support for this idea in the past. However, districts and areas also have very different, very specific kinds of needs, depending on local environmental and land use conditions. The Northeast need expertise in forestry, the Central parts of the state need expertise in irrigation management, while the Southeast needs expertise in managing nutrients to protect groundwater in karst geology. Participants in this process expressed a preference for an online, searchable database as the repository of this information (rather than a static snapshot) so that TSAs and member districts have the ability to respond to changing land uses, regulatory requirements, and community needs.

  As areas review the kinds of skills they need, and compare them to the skills their staff have, some districts and TSAs may have to make difficult staffing choices. Positions may change, positions may be eliminated, some services could move from an SWCD office to a TSA office, or be outsourced to other areas or districts.

- Develop a training program to ensure district staff have reliable, convenient access to training for both a basic set of common core competencies, and context-specific specialties, in order to build technical capability at the local level. BWSR has a Technical Training and Certification program (TTCP) in development, and participants are strongly supportive of this program. MASWCD has expressed support for the TTCP through a white paper published in 2015, "Technical Training and Certification Strategy For Conservation Delivery in Minnesota."

  Currently, NRCS is the only authority to grant JAA, though Wisconsin has developed a parallel certification program (http://conservation-training.uwex.edu/) in collaboration with NRCS. The TTCP could be complementary, even parallel to, NRCS training (as WI has done), because of the significant overlap in the kinds of projects SWCDs are called upon to design. However, because TSA and SWCD staff are often called upon to develop and design

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projects that fall outside NRCS guidelines, including urban stormwater, and shoreland and streambank restoration projects, training provided by BWSR to SWCDs and TSAs should focus on meeting the needs expressed by districts. In addition to purely technical skills, participants in this process emphasized the need to train SWCD staff, especially new hires, in project management, and the nuances of working effectively with landowners over the course of a long project. Giving SWCD staff more training and experience in project management would allow SWCD staff to take a larger role in working with landowners, and reduce the time engineers spend on each project.

The core competencies addressed in the TTCP should reflect a clear and direct response to the gaps in technical capability identified in a statewide assessment of local expertise, and be developed to compensate for the reduced level of service available from NRCS.

Participants in this process asked for regular updates on progress from BWSR, and frequent opportunities to offer input on the scope of training to be offered in the TTCP, to ensure the training offered meets the needs of the TSAs and member districts.

Administrative Workload/Program Coordination

The work group articulated the need to consider how any changes made to the current organizational model, as well intentioned as they may be, would affect management workload for TSA host managers. Host site managers provide Human Resources functions for TSA staff, reporting, personnel management, office space needs, working with Boards, accounting, and apportionment of work, all of which take up administrative time. Participants in the regional meetings emphasized that the job of administration of a TSA may have grown beyond a part-time job for a host site manager. Seasonality complicates the process, and realigning workloads will have to take into consideration the seasonal nature of the services TSAs provide.

Participants in this inquiry identified a number of ways BWSR could respond to the need to streamline administrative process:

- Undertake an in-depth workload analysis to better understand the time and resources required to effectively manage a TSA. There is a lack of clarity around the roles and responsibilities of a host district manager, engineers, and board members, and how much time host district managers spend on the administration and project management of a TSA. Participants suggested BWSR bring host managers and engineers together to get better insight on the work involved, and the kinds of administrative and project management support TSAs and their host districts need.

- Provide administrative services to TSAs. This administrative position could be a BWSR position, or could be hired locally by either the TSA or the host district. TSAs could share administrative services with one or two other districts, depending on the size of the

district, and the level of satisfaction with the current management system in place. (Areas 2 and 4 have management and operational systems that participants report work well in their current form.) Administrative services could provide all or part of human resources functions for TSA staff, grant writing, grant tracking and reporting, technology and accounting support. Reducing administrative workload on the host site would free up more time to focus on project management and implementation.

- The TSA program does not have a program coordinator. A system as complex as the TSA program needs active oversight, and a periodic refresh to ensure the system is functioning optimally. Reintroduce a Program Coordinator position (or several positions), to offer high-level services that provide oversight, advance the mission, and increase the effectiveness of TSAs. TSAs are somewhat isolated, and have limited opportunities to share innovations and strategies across area boundaries in order to leverage limited resources. Member districts and county governments are not fully informed about the benefits and services TSAs offer, which compounds the challenge of funding TSAs. A Program Coordinator (or coordinators) in each BWSR Region would:
    o Provide more overall guidance to TSAs and members districts,
    o Facilitate discussions amongst TSAs as they consider hiring a full-time shared manager or other organizational changes
    o Take a leadership role in training NRCS, TSA, and SWCD staff, perform spot checks to ensure quality assurance of project design
    o Increase communication, and help "tell the story" of TSAs and their benefits, and
    o Clarify the roles and responsibilities in the conservation delivery system of SWCDs, TSAs and NRCS.

- Develop a single comprehensive, interactive, tracking and reporting system, integrated into eLink or that interfaces with eLink, to help TSAs and member districts manage projects and consolidate reporting and replace the numerous spreadsheets TSA managers now use:
    o List staff capabilities, specialties, and credentials at each SWCD and TSA (see pages 7,8)
    o Assigns a trackable case number to a project when a request for work is submitted by an SWCD to the TSA
    o Track where the project request came in from, the date it came in, give the requesting SWCD an estimated completion time when engineering design work would be done
    o Establish a calendar of regular communications and project updates
    o Line items for each budget area (staff, equipment, technical services)
    o Identify the source and amount of matching funds dedicated to each grant
    o Staff, administrative and technical assistance hours on each project
    o Benefit to the resource, or Return on Investment (pollution prevented, runoff volume reduced)

o   Replace the end of the year accomplishment reports required of TSA staff.

A case can be made that a grant reporting system would provide multiple benefits to SWCDs and TSAs:

o   Creates greater transparency in the work apportionment process
o   Makes communication between TSA staff and SWCDs more effective
o   Streamlining grant reporting was frequently mentioned as a preferred strategy for reducing administrative time
o   Moving from a narrative grant reporting system to a quantitative reporting system would allow SWCDs, counties, TSAs, and BWSR to better understand how state funds are being spent, and the quantifiable benefits to the resource those funds generate
o   A quantitative grant reporting system could also allow grantees to include narrative data when appropriate.

Developing a more robust, more comprehensive tracking and reporting system could create a more transparent system, reduce SWCDs' project management time, and simplify grant tracking. Given the strong suggestion from participants that BWSR also develop a database to track project requests and work apportionment, staff capability, and JAA, BWSR should consider enhancing the eLink system to standardize and centralize all of these common TSA and SWCD functions. Participants suggested that an enhancement to the existing eLink system would be preferable to developing a new system, given the familiarity of eLink, and general user comfort with the existing system.

The caution here is that a centralized system should reduce administrative time and consolidate project management tasks, not replace it with a system that ultimately takes more time.

Predictable funding, sufficient for the need

The issue of funding- sufficient, non-competitive, predictable funding- is a constant challenge for SWCDs and TSAs. Uncertain or insufficient funding makes it difficult to fund the operations of the TSA, or attract, hire, and retain qualified staff with adequate training and certifications. The bulk of funding for technical assistance currently comes from a limited number of sources:

Fund source	Sufficient	Non-competitive	Predictable
Base grants to SWCDs		✓	✓

The Non-Point Engineering Assistance Program (NPEAP) awarded to TSAs, typically received through a Joint Powers Agreement among districts in a TSA		✓	✓
Matching funds from counties		✓	✓
Fees for services charged to landowners or other SWCDs			
Competitive grants			

Of these five funding sources, four are non-competitive, though districts argue that they are not sufficient for current and future needs. Districts across the state receive varying levels of support from their counties, and some counties are reluctant to or unwilling to contribute to TSAs. Part of that reluctance stems from their unfamiliarity with the services TSAs provide. Competitive grants, by definition, will never be predictable, and with the Clean Water Fund due to sunset in 2034, Clean Water Fund grants are not a sustainable, predictable source of funds.

Districts prioritize hiring technical staff over administrative staff, but end up using technical staff time to perform the administrative functions of applying for and reporting on grants. Reducing project management time, offering administrative services to TSAs, creating standardized tracking and reporting tools, and increasing the technical capability of local staff could free up the funding available to hire technical staff members to perform technical work, and accelerate conservation outcomes.

Another of the central challenges to the current funding model is that it does not reliably provide resources for training or certifications that increase local technical capability.

- Participants strongly encouraged that any new organizational model would move districts away from the current reliance on competitive, Clean Water Fund grants, and move toward more predictable block grants, single grant agreements to support the technical services TSAs provide, or other more predictable, non-competitive, funding sources.

- The work group recommends that the state expand the revenue-generating authority of SWCDs to support specialized, technical services in their district. That authority could include taxes, fees for service, and other local solutions to address funding shortfalls.

- There is confusion about what funds qualify as match, and many TSAs and member district struggle to come up with matching funds. TSAs want BWSR to provide more guidance for districts on what qualifies as match, and where matching funds can come from.

- Look beyond the traditional sources of funds available to TSAs and help TSAs garner funds sufficient to meet the need for specialized technical services from NRCS, USDA, the US Forest Service, and other state and federal sources of conservation funding. A Program Coordinator could provide guidance and leadership in helping TSAs expand their funding outreach.

Changes will need to be made at multiple levels in the conservation delivery system to correct these challenges. The story of what TSAs do should be more widely shared with funders, state and federal legislators, the Clean Water Council and the Lessard Sams Outdoor Heritage Council. Addressing these system-wide challenges should be a priority for BWSR's efforts in a transition year between

the current system and the implementation of new organization and management models at the district and TSA levels.

Statewide Challenge	Recommendation
Local Capacity Increase the technical capabilities of local SWCD staff by investing in technical training and certifications, and increase the number of local staff who hold JAA.	Develop an up-to-date, interactive, searchable inventory of the technical capability of staff at SWCDs. Integrate this database into a tracking and reporting system designed to reduce overall administrative and project management time for TSAs.
	Expand the variety of services that could be shared across district and TSA boundaries- - GIS - Forestry - Wetlands - Soil Health - Nutrient Management - Communications and Outreach - Grant writing - Administrative services - Project management
	Develop a menu of core competencies needed in each district, and region. Compile the assessment in a database, with the ability to respond to changing land uses, regulatory requirements, and community needs. Integrate this database into a tracking and reporting system designed to reduce overall administrative time for managing TSAs.

	Develop a training program, leading to Job Approval Authority (or a statewide

	equivalent credential) for SWCD staff.
Administrative Workload/Program management There is a perception that administrative time is undervalued and underfunded. The job of administration of a TSA has grown beyond a part-time job for a host site manager.	Provide administrative services to TSAs. TSAs could share project management and/or administrative services with one or two other districts, depending on local need, the size of the district, and the level of satisfaction with the current management system in place.
	Develop a Program Coordinator position (or positions), to offer high-level services that provide oversight, advance the mission, and increase the effectiveness of TSAs.
	Develop a comprehensive tracking and reporting system that tracks: • Engineering project requests from SWCDs to TSAs • Work apportionment • Staff capacity and credentials • Grants
Sufficient, Non-competitive, Predictable Funding Uncertain or insufficient funding makes it difficult to fund the operations of the TSA, or attract, hire and retain qualified staff with adequate training and certifications.	Move districts away from the current reliance on competitive, Clean Water Fund grants, and move toward more predictable block grants, single grant agreements to support the specialized technical services TSAs provide, or other more predictable funding sources.
	Allow TSAs and member SWCDs to expand their revenue-generating authorities to support specialized technical services in their district sufficient

	to meet the need.
	Clarify what funds qualify as matching funds
	Look beyond the traditional sources of funds available to TSAs

Local Findings

The following section summarizes the outputs of conversations held in the BWSR-designated North, Central and South regions of the state. The summary presented here highlights local issues that will require local solutions. Specific local recommendations are explored in a subsequent section.

What is working throughout the system?

- **Quality of service TSAs deliver.**

The quality of service delivered by TSAs was the most frequently mentioned aspect of what is working well with TSAs. TSA technical staff are considered to be competent, and highly skilled. They understand the needs of the SWCDs they serve, and have the necessary skills to produce high quality designs that hold up over time. Participants noted, "We trust (the) TSA to do quality work."

- **Variety of services TSAs offer**

The variety of services TSAs deliver was frequently mentioned as an aspect of the system that works well. TSAs "Handle a wide range of projects" and more TSAs are diversifying their expertise to meet the wide variety of project needs, from urban practices to agricultural and agronomic practices. In particular, participants appreciate the on-the-job training that TSAs provide to local staff. GIS services are an important addition to the variety of services offered, as well as the "Opportunity to do shared projects that would not otherwise happen."

- **Quality of staff**

TSA staff members are valued highly for their expertise. Districts recognize the importance of the technical expertise TSAs make available, and value the additional capacity they have access to through TSAs. Districts also value that TSAs make technical expertise, "Cost effective compared to (the) private sector."

- **Collaboration between SWCDs, counties, elected officials, agencies, and staff**

In general, participants from districts value the strength of relationships districts have with TSAs, counties, and agencies. Districts are able to share staff across county lines, and find there is a willingness to share equipment and software to reduce costs to individual districts. Coordination between partners leads to new opportunities, and in general, partners work well together.

- **On the job training provided to SWCD staff by TSA technical staff**

Participants expressed a great deal of appreciation for the training TSAs provide to local SWCD staff, in particular the on-the-job training, but would like to see more training happen. TSA staff are providing training in technical processes, software, and on the use of technical equipment. Many of the comments in this theme related to the high productivity of TSAs, delivering high volumes of work for the money invested.

What is working in some areas, but not others?

Several themes emerged that are specific to some areas but not others. These themes point out that the issues TSAs are dealing with are not uniform across the state. Differences that emerged during the three meetings in BWSR-designated regions have been noted in the following section. The solutions the state and local districts pursue to address the issues TSAs experience will need to be tailored to the specific issues in each district. The goal in this project is to maintain what is working, and change what is not.

- **Governance- The Joint Powers Board**

Districts, particularly in the central and southern regions, expressed some satisfaction with their Joint Powers Boards, and the relationships with the TSA host districts. Meeting structures generally work well, and the host districts are supportive and easy to work with.

- **Communications among partners**

Communication among partners in the south and central region appears to be relatively effective. Relationships with landowners were noted as being open, especially one-on-one.

- **Administrative tasks - reporting, fiscal management**

Several participants in the southern region expressed appreciation for the host district administrator taking on responsibility for managing grants and reporting. In the central region, administrative tasks are shared between two member districts and appear to be working satisfactorily.

- **Funding mechanism**

Sufficient, n, n-competitive, and predictable funding is a significant concern among SWCDs. However, the dominant TSA structure, based on a JPA among SWCDs and governed by a JPB, was noted as being a convenient, effective way for BWSR to receive funding for technical services, and distribute those funds across the state in what is effectively a flexible base "block grant."

- **Staff locations**

The geography of the TSAs is a challenge. What appears to work best, especially in the central and southern regions, is to have technical staff housed in SWCD offices around the area to more effectively serve far-flung districts, and to allow technical staff to better familiarize themselves with local resource needs.

- **Standardized management tools- online request forms, IT support, maps, standardization of forms, specs, plans**

Online management tools were mentioned in several comments as an asset. Some standardization of forms and processes has been done in the central region.

What is not working?

- **Funding amounts**

Funding emerged as the most often, and most universally, issue noted by participants. Base funding alone is not adequate to run the TSA operation, as most grants available to SWCDS and TSAs are tied to projects, with little allocated for operational costs. The result is that TSAs and SWCDs have to write large numbers of grants to cover operational costs, many of which have different reporting timelines and requirements. Applying for, tracking, and reporting on multiple grants makes administrative work complex and time-consuming. Many participants called for block grants in order to reduce the number of revenue sources needed to fully fund the organization. Participants also noted the instability of funding, making it difficult to make a long-range plan, or commit to hiring and retaining staff. Participants described funding as overly complicated, insufficient, and unpredictable.

Of particular concern was the required match, especially to participants in the northern and southern regions. As one group of participants noted, "Stop requiring matching funds for an agency that has no other source of funding."

- **Administrative processes and project management**

Processes for managing TSAs are not uniform across the state, and do not always align with their member SWCD processes and policies. "Personnel policy and standards are different among TSAs and SWCDs." Administrative and project management tasks are seen as complex enough that they slow down the work of getting projects built. Participants referred to dissatisfaction with processes, especially a lack of transparency with the processes used to apportion work. TSA staff, especially if they are housed outside the host district, are not "at the table for key technical/admin decisions." As projects have gotten bigger, and administrative and project management tasks have increased, participants suggested that the administrative position may have grown past a part-time role for the host district manager, who is asked to do two jobs for minimal compensation. There are also challenges with governance. A board that only meets a few times a year can get bogged down in HR issues such as Health Insurance.

- **Training for local SWCD staff**

Training for local staff emerged as a significant need. SWCDs emphasize the need to train local staff to take on simple technical work to free up TSA engineers for larger, more technically complex projects. Having staff attain more Job Approval Authority (JAA), would allow them to sign off on simpler projects without the oversight of the TSA engineer. This was one of the most often cited strategies for easing the bottleneck in getting projects approved and built.

- **Prioritization and Project Backlog**

While the quality and skill level of TSA technical staff, and the quality of designs TSAs deliver, are highly regarded, there is concern over the consistency of processes used to prioritize the projects TSAs take on, and the transparency of those processes. Several participants noted that they don't know what those processes are.

The issue that generated the most concern among areas in the northern region was the time lag between when a project request is submitted, and when the design is delivered. Along with the time lag is a lack of consistent communication from the TSA back to the SWCD requesting the work. Transparency in delivery timelines, clarity around how projects are prioritized, and projects that are "over-designed," (striving for perfection and sacrificing cost and timeliness) by consultants or engineers unfamiliar with common SWCD practices were significant concerns.

- **Staff capacity**

The quality of staff is generally considered to be very good, but overall there is a lack of staff capability. Offices that are short-staffed have become "Jacks of all trades and masters of none." Local staff might have experience and expertise in a limited number of conservation practices, but the lack of wider expertise constrains conversations with landowners about the full range of conservation practices appropriate for a site.

Staff experience and expertise does not always match well with district and resource needs. Some of this can be expected with staff turnover and new hires, but there is a perception that staff capacity and resources needs are out of balance to an unacceptable degree. Participants noted a need for a comprehensive inventory of staff capabilities for several reasons. A current, up-to-date, editable inventory will help districts, and BWSR, identify training needs, in order to adequately prepare staff to perform the work districts need done. It is important to note that some of the work technical staff are asked to perform falls outside practices common to NRCS, including urban practices, and shoreland restoration. An inventory would also create opportunities to share staff with specialized expertise across area boundaries.

Finally, there is a concern that some technical staff are doing non-technical, administrative work, reducing productivity. The core concept of the TSAs is to have highly skilled people do work that requires high levels of skill. Distracting technical staff from technical work sacrifices productivity. This issue is explored in greater depth in the section on system-wide administrative processes.

- **Communication between TSAs and districts, BWSR and TSAs, and among TSAs**

Communication between a TSA and its member districts is not always satisfactory. There is a noted lack of communication on the status of projects, and between JPBs, districts and contractors. In some cases, insufficient communication has led to a lack of understanding at SWCDS about what the TSA does, and why it is a benefit to SWCDs. In addition, there is a lack of communication between and among TSAs, leaving TSAs feeling, and acting, "like they are an island."

Organization and Management Options

As noted earlier, if the state addresses the system-wide challenges that TSAs and SWCDs face in the

current conservation delivery system, then districts can make decisions on the following aspects of organization and management in order to reduce administrative tasks, balance workload and need, and meet current and future demands for accelerated conservation implementation. It should be noted that each district has distinctly different concerns and issues, described later in this section. There is no one-size-fits all solution to these issues, nor do districts want BWSR to impose a single model on all TSAs.

The parameters of this project do not require that all TSAs use the same organization and management structure, nor did the work group want to advance a single option. Instead, the work group supported the goal that, "the new structure options should be flexible enough to serve the range of needs and capacity in SWCDs around the state," and that "100% of the working group will be able to identify at least one of the selected options as an acceptable model, so that at least one of the one new options works for every TSA."

Building greater flexibility into a new structure could help address the issues of why not all districts currently participate with TSAs. BWSR will need to determine how the agency will provide oversight and accountability for each of the local challenges described below.

Each district will need to weigh the practical, political, and financial implications of each option. If districts substantially change their governance structure for one that better fits their needs, it will be important for districts to commit to the change, and not reverse their decisions mid-year. Organizational changes of this sort take time to implement. It is important to keep in mind that the opportunity to change the TSA organizational and management model is not simply to change things, but to improve them.

There are four components of organization and management that pose challenges to SWCDs and TSAs. The work group generated a number of options for addressing each of these four components:

1. **The variety of services TSAs provide**

Option A- Conservation technical assistance only	Option B- Conservation technical assistance and Specialists	Option C- Conservation technical assistance and Training
Conservation technical assistance only (current model)	Conservation technical assistance, with specialists in- ● GIS ● Forestry ● Wetlands ● Communication and Outreach, Grant writing ● Administrative services ● Training and SWCD staff certification ● Other specialized services determined by member districts	Conservation technical assistance, with an additional focus on training and certifications for SWCD staff

2. **How services are delivered**

Option A- Centralize Services	Option B- Dispersed services	Option C- Privatize services
Centralize services in one district, distribute services equitably based on an agreed upon formula. **A2**- Surge demand for technical assistance goes to private vendors	"Hub and spoke" distribution model. TSA staff are individual district staff equally outsourced. **B2**- Surge demand for technical assistance goes to private vendors	Use private vendors to supply conservation technical services to SWCDs

3. Governance structure

Option A- Joint Powers Agreement- WITH Board (Most common current model)	Option B- Joint Powers Agreement- with NO Board	Option C- Memorandum of Agreement with administrative team

4. Human Resources Options

Option A- JPA WITH Board- Joint Powers Board hires TSA engineers and technical staff, and TSA technical staff are employees of the JPB.	Option B- JPA WITH Board- TSA has no employees. All technical assistance is provided by private vendors or SWCD in- house technical staff.	Option C- Joint Powers Agreement with NO Board OR Memorandum of Agreement- (NO JPA, NO JPB) Host Site District hires TSA engineers and technical staff.	Option D- Joint Powers Agreement with NO Board OR Memorandum of Agreement- (NO JPA, NO JPB) Individual Districts within a TSA hire TSA engineers and technical staff (shared positions)

Region-Specific Needs, Recommendations and Timelines

TSAs across the state experience very different challenges, and do not want to have BWSR impose a single model on all TSAs. Local needs vary to such a great degree that each district will want to determine how to address each of the four areas of concern identified by the workgroup. Challenges identified by each specific area, and possible BWSR responses, are described in the following section.

It is important to note and understand that the issues described in this section are not caused by, nor are a reflection of, individual staff members. Staff and board members are highly regarded, respected, and effective. These issues are the result of a system that was designed years ago, altered several times, changed incrementally to meet changing needs, and may no longer serve member districts as effectively as it might.

Area 1-

Area 1 should be a BWSR priority in a transition year. The current governance structure of TSA 1 is not serving its member districts effectively, and participants from Area 1 called for the most profound change in their organizational structure. Area 1 has difficulty getting districts to actively participate in the JPB. Participants report that districts that do not make use of TSA services do not participate in meetings of the JPB, making it difficult, if not impossible, to get a quorum at meetings. That, in turn, has made it difficult to change the by-laws of the JPA and fix what is not working. The area is overly large, and geography compounds the other concerns.

Background- In October of 2015, the managers and polled board members of TSA1 posed five options in a letter to BWSR for reorganizing Area 1 to resolve ongoing challenges in their conservation delivery system. (See Appendix at the end of this report). In early 2016, 15 of the 16 member districts expressed a preference for one of these options as a short-term solution:

> **Option 3D.** Restructure the existing Joint Powers agreement between the SWCDs of Technical Service Area 1, forming a governing board comprised of delegated District Managers or elected District Supervisors, along with a northern and southern region executive committee comprised of **3 district managers** from each region. Committee members would be elected from the TSA Board and serve 2 year terms. Fiscal operations and Committee roles would be as described in Option 3C. (Option 3C- Under this scenario, a primary host district will serve as fiscal Agent for TSA1 and provide day-to-day oversight for employees in their region, while a secondary co-host will provide day-to-day oversight for employee(s) in the other. Executive committees would be responsible for budgetary decisions, performance evaluations and non-policy operational issues in their respective areas, reporting to the formal board no less than twice annually.)

In the same letter, Area 1 managers and polled board members noted that the best long-term

solution would be:

> Divide into two separate Technical Service Areas:

> To address the identified issues, the existing TSA also has the option of dissolving its existing joint powers agreement and forming two separate Technical Service Areas Consisting of 1. Becker, Clay, Mahnomen, East Otter Tail, West Ottertail, Grant, Traverse and Wilkin SWCD, and 2. East Polk, Kittson, Marshall, Norman, Pennington, Red Lake, Roseau and West Polk SWCD.

> **Option 2B.** Form two separate Technical Service Areas as described above, each governed by a Joint Powers Organization comprised of nominated managers from member Districts.

With this previous work as background, Area 1 participants in this process advanced two options. Option 1 echoes the work done previously. Option 2 offers an alternative approach that does not rely on dissolving the existing JPA.

> **Option 1-** To change their organizational structure, participants suggested splitting Area 1 into two smaller areas to reduce travel times and increase the levels of service to SWCDs and landowners. This would require unanimous agreement by member districts, dissolution of the existing JPA, and reorganizing into two smaller TSAs.

> **Option 2-** If BWSR is not willing to consider splitting the area, or if the JPB cannot unanimously agree to reorganizing, participants suggested keeping the existing JPA, eliminating all centralized TSA staff positions, and replace TSA staff with dispersed, locally situated "resource groups." Resource groups would be:

> - o Entirely voluntary for districts
> - o Organized under a MOA among member districts that elect to participate
> - o Funded by TSA funds and participating SWCDs
> - o Managed by a host district,
> - o Located in member districts, and
> - o Designed to serve local resource needs not currently served by the JPA

Reorganizing into a new "resource group" structure will require a significant investment of time and resources. Participants outlined the following steps:

> - o After getting majority agreement by the JPB to reorganize, Area 1 will need to identify which resource groups are most needed by member districts.
> - o Districts will join resource groupings based on the needs each individual district identifies as central to their work. (This may require a survey or other facilitated process.)
> - o Funds will be reallocated from a central TSA to resource groups, requiring

        agreement by the JPB.
- o Each resource group will need a host site, and a MOA among member districts on how funds will be allocated, employee needs, and the mission of the resource group. After the host district funds are allocated, 100% of the remaining funds would be distributed equally among districts. Districts that become members of a resource group would need to cover expenses above TSA funding through an MOA.

Whichever of the two options suggested by Area 1 in 2016, or the two options offered by participants in this process, that BWSR elects to support, the complex governance issues that constrain the effectiveness of Area 1 would benefit from active leadership by BWSR.

Areas 2 and 4-

These two districts have organizational and management models in place that are working well, and neither called for an extensive overhaul of their organizational structures. The issues identified by participants from Areas 2 and 4 can be addressed by the recommendations for statewide challenges.

Area 2, the West Central Technical Service Area (WCTSA), is a joint powers board created to assist with special projects for the mutual benefit of its member SWCDs. The member SWCDs of WCTSA are located in the twelve counties of west central Minnesota. The WCTSA has developed a Hosting Services agreement with the Stearns County SWCD to provide administrative, technical and engineering services. The Stearns County SWCD provides the WCTSA required staff to accomplish the conservation goals identified in the annual work plan and budget. In 2017, the Hosting Services agreement was modified to include Stevens County SWCD in the agreement. The Stevens SWCD hosts an engineering technician to improve conservation technical assistance delivery to western located SWCDs of the WCTSA.

Area 2 is primarily concerned about administrative time and extensive drive times. Area 2 would benefit from additional training opportunities, and specialized services, and is interested in sharing services and training opportunities across TSA boundaries.

Area 4 employs no staff, using private vendors to provide technical assistance. Because of their location in the Metro area, there are adequate resources to make this model work. A host site district provides financial management of technical assistance funds.

Both areas would benefit from, and support the development and implementation of, the standardized and centralized administrative and project management tools suggested in an earlier section of this report. Those tools would further reduce administrative time and resources required to effectively manage their conservation technical assistance programs. Area 2 would like BWSR to make customer relationship software available to the TSA, to better serve their customer base.

Area 3-
Area 3 represents another priority for BWSR in a transition year. From the outside there appear s to be internal communications issues that make delivery of conservation technical assistance less clear in this area than it perhaps could be. Area 3 participants, which were split between two of the listening sessions, expressed concerns about the transparency of project prioritization processes, how work is apportioned by the TSA, and the long wait times member districts have experienced.

It is important to understand the context of why wait times have grown in Area 3. The 2012 emergency flood disaster (See Appendix 2) caused millions of dollars to surge into Area 3 between September 2012 and February 2014 to mitigate flood damage. Additionally, the large number of trout streams have extremely short windows of time during which to do stream restoration and stabilization work. Great Lakes funding is available in only some counties in the area, which can also affect how projects are sequenced.

Communication between the TSA staff, host site manager and member districts is seen as a challenge. Some supervisors expressed that TSA board committees are not used consistently or effectively, and there is a perceived lack of transparency in how decisions are made. Internally, Area 3 has committed to increasing communication overall, and increasing communication and involvement of District Managers in member districts specifically.

Area 3 would benefit from clear and well established procedures on how the Board and Host District Manager will, "monitor and ensure the productivity of the TSA". There is a perception, amongst a few supervisors who were interviewed in this process that the job of TSA administrator has grown beyond any host site manager's capacity to keep up with the demands of the role, and is, "too much of a conflict for their time". Some have suggested that the role of Host District Manager should be redefined and clarified. Other participants suggested that an administrator could first assume responsibility for Area 3, and later work with Area 1 to assume some administrative responsibility. Finally, Area 3 is looking at how to deal with the discrepancy in funding that Great Lakes counties receive versus non-coastal counties.

Participants strongly support BWSR developing a tracking and reporting system that TSAs could use to respond to project requests that assigns a number to the project, tracks where the request came in from, the date it came in, and gives the requesting SWCD an estimated completion time when engineering design work would be done. A tracking system would increase timeliness, transparency, and ensure equity of work apportionment. This sort of tracking system is beyond the capacity of one

district, or one area, to develop. This same system would be of benefit to all TSAs, and is strongly recommended as a way to reduce administrative and project management time for host districts throughout the state.

Additionally, Area 3 participants would like BWSR to help address the issue of the discrepancies in local (match) funds, and to clarify match parameters and requirements.

Areas 5, 6, and 7-
None of these three areas called for an extensive overhaul of their governance structure.

Participants noted that elected officials appreciate having a JPB for the accountability it ensures. BWSR should consider working with each TSA to clarify and provide consistent guidance on match funds and program requirements.

As with most areas, stable funding is a significant concern in these three areas. Participants suggested "consolidating (funding) into Block Grant allowing local priority options." All three areas in the southern region are concerned about administrative workload (including the time spent tracking grants), the large area technicians are expected to cover, and training. According to one participant, "The TSA has a workload that exceeds the manpower. "

Area 5 reports there appears to be a lack of communication in their area about the value of the TSA and the services it offers, leading to a perception of, if not an actual, imbalance in the apportionment of work. Districts in Area 5 that have stronger relationships with the TSA receive more regular technical assistance. Here, too, satellite offices and telecommuting might improve communications and service among local SWCD offices.

To address these issues, Area 5 proposes to:

- Hold quarterly SWCD meetings to advance staff ideas and direction to the JPB
- Invite SWCD staff to JPB meetings to answer questions and offer SWCD perspective
- Review work assignments to ensure administrative work is done by administrative staff, not engineers or other technical staff
- Hire staff for satellite offices to improve service
- Hire consultants to offer training to technical staff

Area 5 participants support the recommendations to BWSR to hire a TSA Program Coordinator, the development of a comprehensive tracking system (either an enhancement to eLink, or integrated with eLink to avoid duplicate reporting systems) and the development of local revenue-generating options, including taxing authority, and fees-for services.

Area 6 has concerns about internal communications processes, noting, "We need more staff

involvement in decision making". Participants from Area 6 suggested revising their internal communications to include monthly meetings of technical staff, including one person from each of 11 districts, and TSA staff.

Area 7 expressed a need for a dedicated TSA administrator. Member areas would gradually transfer administration of some programs to an administrator over several years, as the administrator becomes familiar with their operations. Area 7 staff are working to transfer some of the administrative workload to the South East Water Resources Board (SEWRB), hoping to eventually merge the TSA and SEWRB.

These three areas want more training that results in more local staff with JAA. Area 7 suggested framing a resolution to MASWCD in support of a state credentialing program, and taking it to the Legislature in January 2018.

All three areas noted a need for more effective communications among member districts and the TSA. Making more extensive use of satellite offices and telecommuting opportunities might serve districts and landowners more effectively. (Note: Area 2 co-locates TSA staff in satellite offices, and might provide a model that other districts could replicate.)

These three areas would benefit from the statewide measures recommended. Because of the concern about administrative workload, these districts could benefit from either a statewide program coordinator, or a shared administrative coordinator that offers project management services to some or all of these areas. Better communications between the TSA and member districts would address the perception of inequitable work apportionment. BWSR might respond by convening short series of workshops in each area to address specific communications challenges, develop new norms and expectations, and clarify communications processes.

Area 8-
Area 8 has concerns about an unclear understanding of roles and responsibilities of staff and board members. Most of these issues seem to be internal communications challenges, rather than structural issues. In response, BWSR might consider convening a short series of internal meetings to clarify roles and responsibilities, clarify requirements for match funds, set clear expectations for accountability and productivity, and prepare the organization for participation in One Watershed One Plan processes. Area 8 participants have asked for regular updates on the TTCP.

Participants from Area 8 expressed great concern about the amount and stability of funding and how Clean Water Fund priorities might change in the future. Participants want to see more opportunities for shared services and training leading to staff members with JAA.

Districts in Area 8 indicated they want to stay with a JPA, governed by a JPB. Several participants from Area 8 were uncertain how the introduction of the One Watershed One Plan process would affect both staffing and funding, and whether the TSA would fit in with implementation of One Watershed One Plan. Participants also indicated that when their districts begin to participate in One

Watershed, One Plan their governance structure might need to change, replaced a MOA. In that case, participants suggested decision-making authority rest with an administrative team made up of staff and managers from member districts. There were concerns that moving away from a JPB would increase liability for districts, and questions about the details of management, including severance pay, and assurance that districts would receive services under a MOA if current JPB employees became employees of a member SWCD. Area 8 participants are currently working to streamline meetings, and update their bylaws.

Appendix 1
Area 1 reorganization background

John Jaschke, Executive Director
MN Board of Soil and Water Resources
520 Lafayette Road North
Saint Paul, MN 55155

Re: Technical Service Area Framework

Dear John,

As part of a collective effort to bring efficiency to operations and accelerate conservation implementation, Managers and Elected Board members of the 16 Soil and Water Conservation Districts comprising Technical Service Area 1 (TSA1) have identified organizational impediments to optimal delivery of Non-Point Engineering assistance throughout the Red River Valley.

Currently, the District Managers, in consultation with District Supervisors of Area 1 are exploring alternatives to the TSA's existing joint powers framework and are submitting this conceptual document to BWSR staff to obtain feedback on a potential restructuring of our TSA.

Background of TSA 1

In the face of dwindling Non-Point Engineering Assistance (NPEA) Funding, and at the behest of the Minnesota Association of Soil and Water Conservation Districts (MASWD), the Red River Valley Conservation Service Area (TSA1) was formed in April of 2009, a merging of the 16 Districts that since 1995 had comprised two separate TSAs, The West Central Minnesota Joint Powers Board and the Northwestern Minnesota Joint Powers Board.

This merging, or consolidation, brought the area serviced by TSA 1 to 15,748 square miles, an area covering nearly 20% of Minnesota. Additionally, with just shy of 30% of the State's cultivated cropland within its boundaries, TSA1 services more tillable acres than any other Technical Service Area in the state.

Since its genesis, the Red River Valley Conservation Service Area has operated with a Host District serving as fiscal agent in the Southern region of the Valley and a Co-Host providing staff oversight in the Northern Region. Board membership has been comprised (per the terms of the language within the joint powers agreement) of elected board members from each one of the member districts.

The expanse of TSA1 presents numerous challenges for board governance, particularly given drive times that can exceed three hours for elected board members and staff attending regular board and committee meetings.   And while some similarities exist across the region, topography, soils, growing

season, agronomic practices, and resource concerns vary significantly across the Red River Valley.

With challenges such as these it has been difficult at times to engage enough members to hold a quorum, the intricacies of conservation delivery are often not understood by those present, and prudent operational decisions are frequently deferred to management or performed at a committee level.

Given these facts, coupled with an increasing demand for shared services and Non-Point Engineering assistance, the manager's and polled board members of TSA1 pose the following short and long term options for restructuring the organizational structure of Technical Service Area 1:

Option 1 – Do Nothing

Often termed the No Build Option, the TSA most certainly has the option of doing nothing. The TSA will continue on with delegated, elected board members holding one to two regular meetings a year and an executive committee comprised of three elected officers, two host district managers, and two appointees for addressing non-policy and other operational issues.

Advantages

- No Changes
- Elected Representation
- No Additional Duties for Member Districts

Disadvantages
- No Change
- Distances as far as 240 Miles
- No increase in efficiency
- Not much local control

Next Steps
- **None Required**

Option 2A, 2B & 2C. – Divide into two separate Technical Service Areas
To address the identified issues, the existing TSA also has the option of dissolving its existing joint powers agreement and forming two separate Technical Service Areas Consisting of 1. Becker, Clay, Mahnomen, East Otter Tail, West Ottertail, Grant, Traverse and Wilkin SWCD, and 2. East Polk, Kittson, Marshall, Norman, Pennington, Red Lake, Roseau and West Polk SWCD.

Option 2A. Form two separate Technical Service Areas as described above, each governed by a Joint Powers Board comprised of Elected Supervisors from member Districts.

Option 2B. Form two separate Technical Service Areas as described above, each governed by a Joint Powers Organization comprised of nominated managers from member Districts.

Option 2C. Form two separate Technical Service Areas as described above, each governed by a Joint Powers Organization comprised of nominated managers or Elected Supervisors at each district's choice.

Advantages

- Manageable Work Area
- Increased Local Control
- "Locally" Dedicated Staff

Disadvantages
- Long Term Strategy
- Complexity of Splitting assets and existing grants/funds
- Requires Policy Change at State Level (BWSR) & potentially MASWCDs endorsement
- Funding Dependent – would require increased state funding or decreased allocation of NPEA funds to Each TSA
- Splitting existing "open grants" between two fiscal agents
- Existing personnel must be "re-hired"

Next Steps
- Determine if Additional NPEA Funding available or re-allocation feasible
- If necessary, petition MASWCD for endorsement

Option 3A, 3B, 3C & 3D. – Restructuring Existing Joint Powers Organization
Another available option is restructuring the formulation of the existing Joint Powers Organization governing the Technical Service Area.

Option 3A. Restructure the existing Joint Powers agreement between the SWCDs of Technical Service Area 1, forming a governing board comprised of delegated District Managers or elected District Supervisors. Under this scenario, a single host district will provide operational oversight and serve as fiscal Agent for TSA1.

Option 3B. Restructure existing Joint Powers agreement between the SWCDs of Technical Service Area 1, forming a governing board comprised of delegated District Managers or elected District Managers. Under this scenario, a primary host district will provide serve as fiscal Agent for TSA1 and provide managerial

oversight for employees in their region, while a secondary co-host will provide managerial oversight for employee(s) in the other.

Option 3C. Restructure the existing Joint Powers agreement between the SWCDs of Technical Service Area 1, forming a governing board comprised of delegated District Managers or elected District Supervisors, along with a northern and southern region executive committee comprised of **ALL** respective district managers. Under this scenario, a primary host district will serve as fiscal Agent for TSA1 and provide day-to-day oversight for employees in their region, while a secondary co-host will provide day-to-day oversight for employee(s) in the other. Executive committees would be responsible for budgetary decisions, performance evaluations and non-policy operational issues in their respective areas, reporting to the formal board no less than twice annually.

Option 3D. Restructure the existing Joint Powers agreement between the SWCDs of Technical Service Area 1, forming a governing board comprised of delegated District Managers or elected District Supervisors, along with a northern and southern region executive committee comprised of **3 district managers** from each region. Committee members would be elected from the TSA Board and serve 2 year terms. Fiscal operations and Committee roles would be as described in Option 3C.

Advantages

- Locally defined work objectives
- Shared managerial oversight
- Quickly Implementable
- Requires only changes in language of existing agreement

Disadvantages
- Does not fully alleviate geographic issues
- Increased workload for member district managers

Next Steps
- Draft amendment language for Section V of existing JPA and present to counsel for review
- Convene TSA1 Meeting to amend and restate Joint Powers Agreement between member districts
- Elect / Delegate Board of Directors, Executive Committee members and Host District(s).

Option 4 – Dissolve TSA1 and contract Services through SCWD(s)
One further option worth mention is the prospect of dissolving the technical service area, directing NPEA funding to a single SWCD, and offering each District within the TSA boundary the opportunity to contract with that SWCD for engineering assistance and other services. Under this scenario, each existing TSA personnel would become a SWCD employee, and budgetary and operational direction provided by that

SWCDs Board of Supervisors.

Advantages

- Simplified organizational structure
- Direct oversight
- Decreased workload for member districts

Disadvantages

- District Assumes all liability for TSA staff
- Existing personnel must be "re-hired"
- Loss of "Local Control" for member districts
- May Require NPEA Policy Change at State Level (BWSR)

Next Steps

- Examine NPEA Policy & pursue BWSR Authorization
- Further examine liability implications
- Petition/Nominate "Host" District

Option 5 –Petition BWSR to provide Non-Point Engineering Assistance and dissolve TSA1.

A final option discussed by the group is the possibility of petitioning the MN Board of Water and Soil Resources to provide NEPA Assistance via state employed engineers and technicians and dissolving the Technical Service Area.

Advantages

- Simplified organizational structure
- Decreased workload for districts
- Liability removed from member districts / JPO

Disadvantages

- Loss of "Local Control" for member districts
- Requires NPEA Policy Change at State Level (BWSR)
- May Shift to state vs. local priorities

Next Steps

- Examine NPEA Policy & pursue BWSR Authorization
- Determine allocation / liquidation of assets
- Determine if Employees could be placed in centralized locations for each region
- Dissolve existing TSA Joint Powers Agreement

Having preliminarily explored each of these courses of action at some length, the majority of managers and polled supervisors support two of the options above, **Option 3D** in the short term, with hopes that in the long term **Option 2b** can ideally also be achieved.

Please offer us your comments, thoughts and concerns on the overall matter at hand, the various identified scenarios, and BWSR's opinions on our preferred course of action. With many pressing matters at hand for TSAs and Districts, your input would be appreciated by Friday, November 13 for consideration at upcoming managers meetings the following week.

Cordially,

Peter Mead
RRVCSA Host Manager
Cc: Doug Thomas, BWSR
        LeAnn Buck, MASWCD
        Jerome Flottemesch, TSA1 Chair
        MASWCD Area 1 Supervisors
        TSA1 District Managers

Appendix 2
Area 3 funding surge, post-flood 2012

2012 Disaster Declaration Flood Relief Allocations: Status Report

February 2014

2012 First Special Session, H.F. No. 1, Chapter No. 1

	Subd. 3. Erosion, Sediment, and Water Quality Control Cost-Share Program			
Appropriation				**$11,000,000**
	Phase 1 Emergency Allocations *September 2012*	**Phase 2 SWCD Allocations** *February 2013*	**Phase 3 Allocations** *March 2013*	**Phase 4 Allocations** *February 2014*
Aitkin SWCD	$8,000	$246,755		
Carlton SWCD	$118,769			$86,774
Crow Wing SWCD	$10,000			
Dakota SWCD	$250,000	$125,000		
Goodhue SWCD	$50,000	$381,956		
Itasca SWCD	$25,000			
Kandiyohi SWCD	$50,000			
Lake SWCD	$250,000	$367,233		$219,719
Pine SWCD		$240,000		
Rice SWCD	$50,000	$277,951		
Sibley SWCD	$50,000			
South St. Louis SWCD	$250,000	$1,938,403	$1,561,175	$672,706
City of Duluth			$1,727,419	$3,574,828
Cook SWCD				$62,500
Total Allocations:	**$1,111,769**	**$3,577,298**	**$3,288,594**	**$4,616,527**
Allocation balance				**$12,594,188**

Subd. 2. Reinvest in Minnesota (RIM) Conservation Easements	
Appropriation	**$1,500,000**
Approximate remaining unfunded projects and agency implementation costs**	**$1,500,000**
Available for transfer	**$0**

**RIM sign-up period concluded March 15, 2013. Funds are pre-encumbered anticipating full appropriation use.