



# Minnesota Journal

## Inside This Issue

A publication of the Citizens League

Met Council at crossroads. — Page 2.

Future of air service. — Page 4.

Minneapolis debt stands out. — Page 8.

Volume 10, Number 7  
July 20, 1993

## Response to aging of school buildings will affect finances, education delivery

by Dana Schroeder

**First of two articles.** Minnesota's school buildings are aging. And the way the state and local school districts respond to that predicament will affect not only school finances but how education is delivered in the future in many parts of the state.

According to state Department of Education figures, two-thirds of the 1,536 school buildings in Min-

nesota are over 30 years old, and nearly one in six are over 70 years old. Many of these original buildings have newer additions, but more than a third of the additions are over 30 years old.

The financial implications of repairing or replacing the facilities are large, according to Len Nachman, facilities specialist at the state Department of Education. "We could spend \$1.5 billion for deferred maintenance on school buildings, just to bring them to the level where they're functional and working," he said. Not included in those figures are accessibility

modifications required by the Americans with Disabilities Act.

In 1992, Nachman said, school districts sought state approval for 53 new construction and remodeling projects totaling \$487 million. In addition, districts planned to spend over \$70 million during each of the 1993-94 and 1994-95 school years correcting major health and safety problems. They levied \$32 million for disabled access modifications in 1993.

At the same time, a new Metropolitan Council survey shows that

Continued on page 5

## Bourey looks to innovation for Hennepin

by Janet Dudrow

Hennepin County is getting more assertive when it comes to tackling social problems such as crime, homelessness and poverty at their source, according to Mark Andrew, board chair. When the board sought a new administrator to succeed Dale Ackmann, who retired in April 1992, it looked for evidence of innovation, collaboration and an understanding of prevention—in its broadest sense—among the candidates.

They found those qualities in James Bourey, who arrived at his new post

Continued on page 7

## Shannon: States may charge more

by Ted Kolderie

States are going to have a tougher and tougher time competing with the federal government for tax revenues in coming years, given large federal obligations for health care and deficit reduction. "The long retreat of the national government from the general-revenue field is over."

This is the conclusion of John Shannon, a Washington-based public finance specialist, now with the Urban Institute. In a recent talk to

Continued on page 2

## Recent state flooding shows importance of water quantity, quality connections

*Editor's note: In an effort to better understand water management issues raised by the recent flooding in southern Minnesota, Minnesota Journal editor Dana Schroeder spoke with Patrick Brezonik, director of the Water Resources Research Center at the University of Minnesota, and John Wells, director of the Environmental Quality Board's Water Resources Committee. Following are edited excerpts of that interview.*

**MJ:** What's caused the flooding?

**Wells:** Heavy rainfall, especially in southwest Minnesota. We'd have the flooding we're having today if it were 300 years ago, before drainage.

**Brezonik:** Three hundred years ago, flooding could well have been worse, because we had no control structures on our rivers.

**Wells:** That's right. Look at how St. Paul is getting by with almost no damages right now because of the dikes.

**Brezonik:** It's not just the amount of rain. It's been a cool, cloudy spring, and fields never were able to dry out. Rain has filled the soils to saturation. When more rain came, it didn't have any place to go but to run off.

Continued on page 6



# Metro Council: Regional government at a crossroads

The Metropolitan Council is at a crossroads. After acting as the regional planning entity for 25 years, the Metropolitan Council has lost its luster, and some say relevance, in addressing our most pressing regional concerns. It is time to review what it is that regional government ought to be addressing and how it ought to be doing it.

The sharply critical report on the Metropolitan Council by the Management Analysis Division of the Department of Administration should provide further impetus for such a broad review. According to that report, the Metropolitan Council lacks clear purpose and focus and needs internal organizational restructuring.

We should do a number of things to address regional issues over the coming year.

**Coordinate reviews of purpose and mission.** Prior to the Department of Administration report, the Legislature passed, and the governor signed, a bill creating a commission to do a thorough review of regional government. It is important that the governor, Legislature and Metropolitan Council mesh their responses to the report with the workings of this soon-to-be appointed commission on regional government.

The commission has been charged with looking at the broader context within which regional government will work and at the direction and

focus the agency should have. It would make little sense for the Metropolitan Council to reach closure on its renewed purpose and focus while the commission is considering that very topic.

In addition to internal consideration and public consultation, both the commission and the Council should reach out aggressively to the Council's "authorizing environment" to secure a vision and direction from the governor and legislative leaders. A clearer sense of purpose, direction and focus is likely to require changes in authority, which will need to come from the Legislature and governor. It's important to involve these actors from the beginning.

**Clarify the challenges facing the region.** Much has been written about our urban malaise: concentration of poverty and a rapidly changing economy. The Metropolitan Council has a limited mandate to address issues outside physical infrastructure, transportation and land use. If additional duties in a social agenda are to be asked of the Council, we must clarify the challenges and the strategies to address them.

Building on work such as the Council's *Trouble at the Core*, we must look nationally and beyond for corrective measures to stop the erosion

## Viewpoint

by Lyle Wray

of our core cities and to better position ourselves as a region for global economic competition.

**Provide a renewed legislative mandate to the Council.** The governor and the Legislature should spend political capital to make the region work. Flagging attention to regional issues could leave us in a vulnerable social and economic situation very quickly. This renewed mandate should clearly describe the relationships between the Metropolitan Council and the regional operating entities in the areas of budgetary control and coordination with overall regional goals. Reviews of purpose and focus should lead to a renewed Council mandate in law, with its power and duties adjusted.

**Align the internal workings of the Metropolitan Council with new roles.** A renewed mandate may well call for more sweeping changes than have come out of the Department of Administration report. We will need a good deal of quality work to design an organization that responds effectively to a clarified purpose and focus.

**Lay the groundwork for a unified region.** One of the key factors for successful competition in the global economy, according to a recent U.S. German Marshall Fund report, is the absence of major urban-suburban

division. Many issues facing our region are potentially deeply divisive: wide and rising income disparity, racial tension, suburban-urban power struggles and a rapidly changing economy. We need work to create a unified vision of the region that limits the divisiveness and is inclusive of all members of the community.

Articulating a blueprint for how our metropolitan region can be more effective in global economic competition and can produce more economic growth with greater fairness might be an important unifying theme.

Clarifying the purpose and focus of regional government and illuminating the challenges we face as a region should provide a much needed context for critical decisions to be made in the coming years: streamlining the functions and numbers of governments and investing in infrastructure—from airports to telecommunications—and our human capital.

An effectively functioning region can form the basis for effectively competing in a global economy. This thrust, complementing the roles and functions previously assigned to regional government, adds to the impetus to refocus and re-energize the Metropolitan Council at its quarter century mark.

*Lyle Wray is executive director of the Citizens League.*

# Editors want longer school year, broad charter schools

## On Balance

Editors were digging eagerly into their opinion homework.

**West Central Tribune** of Willmar said (June 3) that "if educators are serious about reform and development, they should change the archaic 180-day school year. Year-round schools... would be beneficial." Similarly, **Star Tribune** said (June 24) "The Legislature needs to increase the core funding formula to cover an extra 30 to 40 instruction days. The money exists—just not the political will to reallocate it."

**Mankato Free Press** said (June 4) that charter schools can be "a part of the solution to improve public education." However, "if the charter school concept is to succeed, it has to be more than a special education program... Charter schools must be allowed to try new and better ways of teaching all students."

**St. Paul Pioneer Press** called on (June 23) Al Checchi and Gary Wilson, co-chairmen of Northwest Airlines, to "swallow their overweening pride, abandon fantastic hopes of profiting still further from this debacle and take their lumps—as workers, creditors, vendors, taxpayers and others are being asked to do." **Star Tribune** called on (June 30) Gov. Carlson "to tell Checchi and Wilson that, in the interest of both the public and the company, they must be prepared to go. Equally credible DFL politicians—such as Rep. James Oberstar—have a similar responsibility on the union side, especially in persuading rank-and-file members that their best interests lie in a concessions-based agreement."

**St. Cloud Times** argued (June 12) that Rep. Alan Welle's constituents should decide on his future. "It might be in (their) best interest to have someone with a cleaner record representing them. But that's a decision they should be allowed to make." **Star Tribune** disagreed (June 9), saying that the damage from "Welle's 16-month stonewall (is) inescapable: Minnesota taxpayers paid a whopping fraudulent bill, and the Legislature suffered deep erosion of its institutional credibility, because of one man's cover-up. That man should no longer sit in the Minnesota House." **Pioneer Press** welcomed (May 28) the indictment of Welle and the draft report from a House committee on the phone scandal. "In the end, though, it is not more rigid management systems or even fear of exposure that will spare the Legislature future debacles of this kind. It is personal integrity and a true spirit of service to taxpayers."

**Brainerd Daily Dispatch** suggested (June 3) a redeeming quality for the 1993 legislative session: "It provided a good reason for enacting term limits on Minnesota legislators. Term limits could help remind the people we send to the Legislature that they are just plain citizens like the rest of us. And they must

learn the laws they pass for other units of government should also go for themselves."

**Red Wing Republican Eagle** said (June 16) that the Minnesota Independent-Republican leadership team of new state chair Chris Georgakas and House Minority Leader Steve Sviggum will "rejuvenate Republicans and return Minnesota to a two-party state." They represent "a return to the moderate philosophy which served the party so well for many years."

**St. Cloud Times** praised (June 26) the creation of a Stearns County Department of Environmental Services. "Most counties... have clung to traditional division. Few have gone past the talking stage when it comes to eliminating the overlap and inefficiency of departments. Combining all the services and duties involving the environment into a single one-stop office is a giant step in the right direction."

Fargo-Moorhead **Forum** pointed out (June 4) that local supporters of maintaining the Grand Forks, N.D., Air Force base "should be honest about (their) motivations. The campaign... to save military bases is about economics, not defense."

Defense spending has become... a social program—a federal subsidy."

**Duluth News-Tribune** said (June 4) that a county proposal to house homeless people arrested for minor offenses in hotels rather than in jail was "interesting." "If the cost is not too high and other aspects come together, the plan could move from interesting to viable. For short-term protection and assurance of help, a night in a hotel is far better than 10 days in jail, both for the homeless person and for taxpayers."

**International Falls Daily Journal** called (June 9) on the Iron Range Resources and Rehabilitation Board (IRRRB) to stop acting like the "Iron Range's personal Santa Claus... supplying Range cities with all the niceties." Instead, "the IRRRB should focus on providing them with something more substantial—future jobs."

**Forum** praised (June 8) the decision by Gov. Carlson and the 1993 Legislature to put additional funds in community development. It singled out the state's six regional Initiative Funds, originally funded by the McKnight Foundation, for their work. "It's that kind of economic partnership that rural Minnesota needs to retain its image as a good place to live and work."

## State too complacent about school system

*Edited excerpts of remarks by Gene Mammenga, Minnesota commissioner of education, to the Citizens League on June 8.*

I believe the problem in Minnesota is that we are doing well enough so that we are a little too complacent.

This state has as good a public system—if not the best public system—in the United States of America. When you have that kind of condition and you don't have what is perceived to be anything approaching an educational crisis, and yet, you talk about systemic change, you run into some problems. There isn't any felt need to do that in the state of Minnesota.

There's a certain incredulity when I talk about the fact that international testing demonstrates that in science and math our students do not score that well relative to students in other parts of the world, in Europe and in Asia.

I believe the system needs to change. We can change the system, and we can change it with the people in the system. I am convinced of that.

I agree on the need for state standards. I believe that this is a way of bringing about systemic change. I therefore strongly support the graduation rule.

I am an advocate of choice. I believe in making options available to par-

ents within the constructs of the public school system. I have this reservation about choice. One must not believe that choice is the thing that in itself is going to change the system. Having a few schools that are trying different things is good, because it encourages innovation and change.

But come the first of July we will have 392 school districts in the state of Minnesota. We've got almost 800,000 students. We've got to change the whole system. And getting a few schools here or there who are going to be exemplary or innovative is not in itself going to do it in the time period in which we need to make this change.

## Shannon

Continued from page 1

the American Education Finance Association, he offered these points for state policymakers to think about:

- Since 1944 federal general revenues have been taking a steadily smaller and smaller share of gross national product (GNP). The big growth areas in federal spending—Social Security and Medicaid—have been financed by special (payroll) taxes.

- As the federal income and excise taxes declined as a percent of GNP, the states could move into these fields—and did.

- Now the federal government is advancing on all the revenue fronts at once. FICA will go up. Individual and corporate income taxes will go up. Excise taxes on liquor, cigarettes and gasoline will go up; new excises (as on energy) may appear and it is possible a general national sales (or value-added) tax will be introduced.

- The competition for revenue will develop even assuming significant economic growth, no world crisis and some slowdown in health-care costs.

The consequences are predictable:

- If the federal health-care plan relieves states of Medicaid costs, the feds will withdraw other aids to the

states or pass new responsibilities to the states.

- The federal increases will intensify resistance around the country to tax increases in general.

- The effect will be to impose maximum pressure for productivity in the public sector.

Shannon thinks the states will be able to cope.

States and their localities are in the service-delivery business. They can charge prices for their services—and have increasingly been doing just that. Since the '40s the fastest-rising element of state/local finance has been fees and charges. With

credits or rebates a price-based revenue system can be made progressive, like a tax-based system.

There are other implications, however. Citizens and elected officials will be able to relate prices to benefits, and one supplier's prices to another's. There may also be pressure to bring the implications for prices into the legislative debate (as the Legislature now considers the impact on tuition of a decision not to increase appropriations for higher education).

*Ted Kolderie is contributing editor of the Minnesota Journal.*

## The Minnesota Journal

Publisher — Lyle Wray  
Editor — Dana M. Schroeder  
Contributing Editor — Ted Kolderie  
Sketches — Ray Hanson

The Minnesota Journal (ISSN 0741-9449) is a publication of the Citizens League, a nonprofit nonpartisan Twin Cities public affairs organization, 708 S. Third St., Suite 500, Minneapolis, MN 55415, John Brandl, president. Articles and commentary are drawn from a broad range of perspectives and do not necessarily reflect League positions on policy questions. The Journal is published once a month. Second class postage paid at Minneapolis, MN.

Annual subscription rate for nonmembers is \$40 for 12 issues. Orders may be placed at 612/338- by mail at the above address.

Postmaster: Send address changes to The Minnesota Journal, 708 S. Third St., Suite 500, Minneapolis, MN 55415



# MAC encouraging continued air service competition

*Edited excerpts of remarks by Jeffrey Hamiel, executive director, Metropolitan Airports Commission, to the Citizens League on July 6.*

The Met Council and the MAC together have worked in looking at what the future growth of aircraft operations and passenger activities will be. The study completed in 1990 projected somewhere in the vicinity of 527,000 takeoffs and landings by the year 2020. That is up from the current level of about 400,000 operations. Passenger activity would grow from its current level of 21.2 million to somewhere in the area of 37 to 39 million passengers a year.

The Council and the Commission are currently reevaluating those forecast scenarios. Looking at the major air carriers that serve the airport and the dominant activity of Northwest Airlines is a key part of the forecasting techniques.

What is *not* considered in the forecast methodology is charter activity, cargo activity, general aviation

activity, including corporate aviation, or military operations.

We're looking at population, employment and income. We're also looking at what kind of market Minneapolis offers for competitive air service.

We're looking at origination, the number of passengers that start their travel in Minneapolis and St. Paul. We're looking at total emplanements, the number of originations plus the people who connect through the hub on Northwest Airlines.

We're looking at total air carrier operations. We're looking at what type of aircraft the smaller airline companies will be using in the future. Will they move from turbo-prop to small jet? If they do move to larger capacity airplanes, how large will those aircraft be? The current average capacity is between 20 and 30 seats. Will that grow to 37 to 50 to 65 seats per aircraft? If it does, what's the likelihood of those airline companies succeeding?

We'll look at the international activity, the future of the KLM/Northwest Airlines partnership. If Northwest Airlines is not successful, does KLM continue to serve Minneapolis/St. Paul? What about KLM's relationship with other European partners? Will those European partners have an impact on the ability of KLM to serve and work with Northwest Airlines?

And, finally, what's the future of Asian service for Minneapolis/St. Paul west? What type of potential market exists?

What happens if Northwest Airlines does file a Chapter 11 bankruptcy?

The answer in the short term is that not much happens in Minneapolis and St. Paul. I don't foresee any significant shift in the level of airline service or traffic. We will not see cessation of service. Chapter 11 is a reorganization process.

It's no secret that we at the Airports Commission have been attempting

to pursue Southwest Airlines. Southwest has indicated to us a strong interest in serving Minneapolis/St. Paul out of either Chicago or St. Louis. However, they've also indicated their substantial reservation in entering the market until Northwest Airlines' fate has been sealed.

We've talked with other major carriers that serve the Twin Cities—American, Delta, United, USAir, Continental—saying we want continued competition in this marketplace. We want the people of this community to have some sort of choice of service. That is a very tough argument to make in Northwest Airlines' strongest hub, its home base.

However, all airline companies we've talked to have indicated they fully intend to increase their level of service if Northwest does file Chapter 11. They all intend to continue to increase their business in the Twin Cities regardless of the scenario.

# Facilities

Continued from page 1

the 48 metro area school districts are planning large facilities investments in coming years. According to Council human services planner John Milashius, between 1991 and 1996 the metro districts are proposing to build 17 new schools—at a cost of \$390 million—and undertake about \$400 million in additions, renovations or repairs.

Nachman said the state fire marshal has inspected 800 of the state's 1,536 buildings over the last few years. Only two buildings were closed as a result of the inspections: an alternative education center in Cass Lake and a metal building addition in Sartell.

But Nachman predicted that situation will change. "Some will be closed because of cost over time," he said. "Some will be abandoned and demolished. Some districts will abandon older parts of buildings and continue to use the newer parts."

## State role

The sheer size of the numbers has generated concern from state officials about lack of coordinated planning. "It's a massive taxpayer investment," said Rep. Becky Kelso (DFL-Shakopee), a member of the House K-12 Education Finance Division.

"All our other infrastructure is done in a planned manner," she said, offering the examples of detailed planning for construction of highways and higher education facilities. "K-12 buildings are totally hit or miss. It's a decision by the local school board."

In response to those planning concerns, the 1993 Legislature gave the state Department of Education \$120,000 in each of the next two years for facilities planning. Nachman said the department will be encouraging regional school facilities planning. Milashius said the Metropolitan Council might help coordinate metro area facilities planning.

Historically, Kelso said, the only state involvement in school facilities was through a program in which the state sells building bonds for school districts with

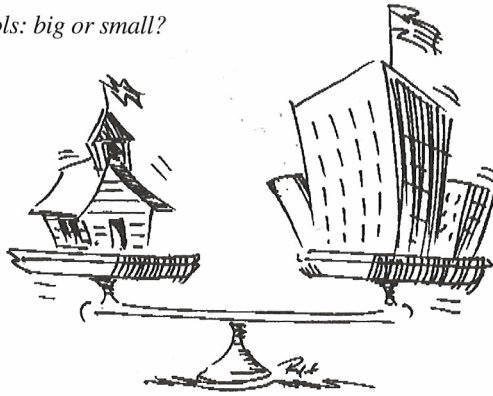
weak tax bases. The state pays off the bonds, unless the district's tax base increases.

In 1992, however, the Legislature created a debt service equalization program. Under this program the state, in effect, helps pay off building bonds—both existing and new—for districts with high debt levies relative to their tax bases.

In addition, the state has enticed some small school districts to join together to build new, regional high schools by providing grants to pay a large share of the construction costs. The Cooperative Secondary Facilities Grant program has provided state grants to five groups of school districts to help build joint high schools: Lac Qui Parle (Madison area), Minnewaska (Glenwood area), Sibley East (Arlington area), Blue Earth, and Grant County (Elbow Lake area).

The Lac Qui Parle and Minnewaska regional schools are already operating and Blue Earth's will open in 1994. The Grant County

*Schools: big or small?*



Joe Nathan, director of the Center for School Change at the University of Minnesota's Humphrey Institute, sees the cooperative facilities program as "a push for consolidation and the idea that bigger is better."

"The cost savings are not clear," he said. "In some cases the larger school will save money. In other cases, efficiencies will be made up for by increased busing costs."

Nathan disputes the argument that students automatically are better

Herbert Walberg, research professor of education at the University of Illinois at Chicago, sides with Nathan. He admitted that larger schools may save money. But he said his research in 38 states—in both urban and rural school districts—shows that "the bigger the district, the worse the student achievement." He said the same principle applies to smaller schools.

Walberg questioned the value of offering a wide variety of courses. "The whole direction in the U.S. is to go toward essential curriculum," he said. "Smaller schools tend to concentrate on core subjects."

He also questioned the importance of new facilities to learning. "Certainly you don't want plaster falling on your head," he said, "but it's very difficult to show a relationship between learning and modern facilities. Learning means sitting down at a desk studying."

"I'm not suggesting breaking up existing schools," Walberg said. But if a school is already small, should it stay that way? "Absolutely, other things being equal," Walberg said, "unless you can clearly demonstrate enormous benefits from becoming larger."

An article in next month's *Journal* will chronicle the experiences of Minnesota districts that have built joint regional high schools, as well as several districts that have taken other approaches to meeting facilities needs.

*Dana Schroeder is editor of the Minnesota Journal.*

# Abolish school districts, state education department

*Edited excerpts of remarks by Doug Wallace, consultant and former State Board of Education member, to the Citizens League on June 1.*

I'm convinced that public education has the capacity to renew itself. But I'm not convinced that the structure we have—that is, the district system—has the capacity to renew itself. In fact, I don't believe it does.

Here's an 11-point plan of my ideas for restructuring education:

(1) Develop world-class performance standards for Minnesota schools.

(2) We need student performance that can be demonstrated by multiple means of assessment, not multiple choice tests.

(3) We need to abolish all school districts. The district system is no longer serving us well.

(4) Convert to a system of performance-based charter schools that can be chartered by many different organizations, with different means of governance, different ways they can center their curriculum.

(5) Provide 100 percent funding by the state on a per pupil basis.

(6) Between 25 and 30 percent of additional dollars ought to follow the student who comes from a low-income or special needs background.

(7) Expand the basic structure of Minnesota education to start at age three.

(8) Structure a substantial five-year teacher repositioning and retooling investment.

(9) Put continuing teacher development and curriculum development in the hands of master teachers.

(10) Structure a vocational apprenticeship program with labor and business that is second to none.

(11) Deregulate education around means and reregulate it around results, or ends. Hold the system accountable for its performance rather than whether or not it has the right number of hours or things that are introduced in the courses.

I don't think we can get from here to there without a complete overhauling of the way in which we shape policy for education in Minnesota. What I'm suggesting is a 10-year way to get with it:

- Abolish the State Department of Education and create a world-class educational policy center.

- Abolish the State Board of Education and in its place establish an educational policy commission that directs the policy center. Their first task would be to find a world-class leader for that center.

- Encourage the redefinition of the role of the state Legislature to one of collaboration in setting broad, long-term policy directions.

- Recommend that the Legislature create a high-profile special finance task force charged with presenting a plan to shift the total responsibility for educational financing to the state.

- The governor's office has invited the move into a more vigorous collaborative relationship in the formation of long-term educational policy.

- The teacher unions should take the opportunity to reconsider their meaning and purpose during a time of restructuring of education.



# Water

Continued from page 1

**Wells:** We've drained a lot of wetlands. In one way it has increased flood damages. Farmers drain wetlands. Then they become wetlands again during a rain like this, so they can't get the crops out of them. Those are documentable damages from the flooding. Yet if we didn't try to farm wetlands, we wouldn't have those damages during wet years. Now there are many benefits, obviously, during drier years for farming wetlands—economic benefits.

The flooding we're seeing will have major water quality effects, too, because of all the materials that are swept into the rivers and lakes. It doesn't necessarily all go downstream, out of sight and out of mind.

Some of those things end up in lake bottoms. Or toxins that are in sediments are resuspended and may end up getting back into the ecosystem. They're taken out of the sinks they might have been hidden in. Or they're transported to another location where they become trapped temporarily in another sink, like in the sediments in Lake Pepin, where they may get retrieved into the water column and end up in fish some time from now.

Even when we're only concerned about quantity, it has an implication for quality. Water has those kinds of interconnections that we need to be aware of when we're thinking about how to manage it. Unfortunately, we do a pretty lousy job of actually recognizing that in the way we manage water.

**MJ:** If there is a lot of drainage, does it mean we have five feet over flood level in a river as opposed to two inches over a broad area?

**Wells:** The U.S. Geological Survey studied that for the Red River Valley. They could not document the effects of drainage on the 100-year flood. They could document that influence on two, five, and 10-year recurrence floods. They could not see differences on larger floods.

**MJ:** What about talk of need for more holding areas?

**Wells:** You'd have to have a huge impoundment to make a difference on a flood the size we're talking about. In a lot of situations you're maybe setting aside several thousand acres permanently in order to reduce damages on maybe twice as many acres. It's hard to justify that today economically.

**Brezonik:** It's also hard to justify it ecologically on the Minnesota River, which is one of the longest free-flowing rivers in the country. There are no control structures, as far as I know, on the river, beyond Lac Qui Parle and Big Stone Lakes. It's a river that has a large flood plain that works pretty effectively in most cases. We do have an extreme condition here. Flooding damages always raise questions about the wisdom of building in flood-prone areas.

**Wells:** Ironically, our focus on the Minnesota River is really not flood management right now. It's managing nonpoint sources of pollution. That's managing land and what we do on the land, so we reduce chemicals running into the streams. You may be changing how you crop land. Or you may be adding buffer strips, or enforcing the requirement that draining systems not be farmed right up to the edge.

**MJ:** What about local watershed districts?

**Wells:** Watershed districts cover about 25 percent of the state. In the Minnesota River, there are a couple of watershed districts in the headwaters area, and they've been focusing on nonpoint source management and on water quality protection. They've made major improvements in the quality of Big Stone Lake by reducing the amount of polluted runoff to that lake.

Others have also been involved in building small flood control projects. Those projects will have some effects on the smaller floods or smaller tributaries.

**MJ:** What difference does the type of crop cover make?

**Wells:** Probably the cover crop's more important effect would be to keep the soil in place so that rain doesn't wash it off into the streams. A field of hay would certainly protect the soil.



*What we really need is a holding area the size of South Dakota... Hey, now there's a thought!*

**MJ:** More so than a row crop?

**Wells:** Oh, yes, depending on whether they planted the row cropping in the right direction, perpendicular to the natural runoff. That can be helpful, too.

**Brezonik:** If the row crop were as high as it should be at this time of year, it would have a fair amount of leaf area, which would help a lot too, in terms of erosion.

**Wells:** We need to be thinking in terms of low-till or no-till cropping. You may still be planting corn, but you plant it through a cover of grasses or you leave a residue from last year's crop, so that you do keep the soil in place at a time like this before the corn has emerged.

**MJ:** Is that very broadly used?

**Brezonik:** A lot more than 10, or even five, years ago. No-till is still uncommon in Minnesota, but as much as 40 to 50 percent of the cropland in southern Minnesota is subjected to reduced tillage practices.

**MJ:** What about wetlands?

**Wells:** Statewide, about two-thirds of the wetlands have been drained. If you look at prairie pot-holes, a far higher percentage have been drained. In the Minnesota River basin we've drained a lot more than two-thirds. Wetlands do trap nutrients.

The Minnesota River is a muddy river that doesn't support game fish like it once did, because of what has happened in the watershed. We've drained the capacity of the watershed to absorb polluted runoff primarily from farm fields. It's had a very significant effect on water quality and on smaller floods.

**Brezonik:** The Reinvest in Minnesota program was designed to take marginal land out of agricultural use. Some of this marginal land had been put into agricultural use relatively recently.

**Wells:** That kind of thing is also a focus of the Minnesota River Implementation Program, where we're using state money as an incentive to get farmers to apply wise management practices.

**MJ:** Are these incentive programs the answer?

**Wells:** They are part of the answer, but we don't adequately monitor our water resources. So, it's hard to decide where our management priorities ought to be. We can't really adequately document trends in quality or quantity of either surface or groundwater. Without that we're sort of reacting to things you read in the newspaper rather than systematically managing water resources.

**Brezonik:** We don't do an adequate job of analyzing the data we do collect. State water management agencies simply do not have the human resources in place to do an adequate job of evaluating the data and looking at long-term trends.

**Wells:** It's important to get Environmental Trust Fund moneys spent on long-term monitoring and research. It's not the kind of glamorous thing you can easily argue for out of the general fund. This is one of the purposes for which the trust fund was designed, and better information is crucial to improved management of our water resources.

# Bourey

Continued from page 1

as Hennepin County administrator on June 1. What sold Andrew on Bourey was that "he 'gets it,'" Andrew said. "Jim Bourey understands that the price of tea in China has everything to do with Hennepin County's tax base. He understands the need for a global, holistic approach to dealing with our social and economic challenges."

Bourey, 41, was most recently senior assistant county administrator in Hillsborough County (Tampa), Florida, and has directed major departments in local governments in Seattle, Cherry Hill (New Jersey) and Tulsa. He was a finalist for county administrator in two other large counties when he accepted the job here.

"Hennepin County offers the opportunity to be absolutely at the forefront of providing high-quality, innovative programs," Bourey said. "The board is clear that they want innovative approaches, and they're supportive of continuous quality improvement."

Innovation will be needed to deal with intense pressures on the county's services and budget. Andrew told a Citizens League audience last March that over the last decade, the county lost all of its federal revenue sharing, most of its Community Development Block Grant funding, and some funding for Title XX "safety net" programs. During the same time, he said recently, the rates of many social problems, such as homelessness, poverty and crime, have tripled or quadrupled in the county. Demand for county services is likely to continue to outpace resources.

Policymakers in general and Hennepin County in particular must get past managing from one crisis to another and get serious about prevention, Andrew said. The county's prevention strategy includes working with local school districts to find better ways to provide social services to school children. "We want to be a facilitator, not a critic," Andrew said. "The idea is to be more helpful in dealing with students' social needs so the teachers can get back to teaching."

Andrew also expects the county to take a more active role in housing

and economic development. County officials are exploring ideas for new housing programs, including affordable housing in suburban communities to bring low-income citizens closer to where jobs are growing the fastest. And Andrew has proposed an economic development project

Bourey's plan is to enlist employee involvement in quality improvement. In part, that means doing a better job of delegating responsibility and holding people accountable for results. And that requires time to build up trust, he said. "Managers have to be sensitive to anything that destroys

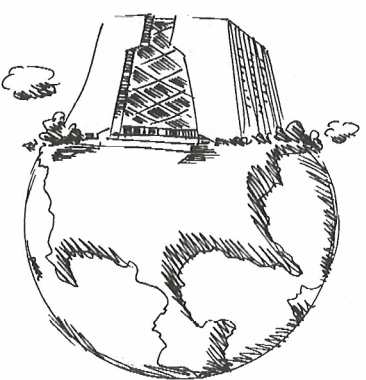
*"Jim Bourey understands that the price of tea in China has everything to do with Hennepin County's tax base."*  
*—Hennepin County Board Chair Mark Andrew*

that involves the creation of a large urban park space in north Minneapolis. The goal of the project is not only to reverse the disintegration of recreational amenities in that area, but to provide job opportunities as well.

All of these initiatives require collaboration with other local governments and agencies, as well as the business community. This spring, the county joined with the City of Minneapolis and the school board in the first "summit" meeting to discuss common issues. The second meeting is scheduled for August 18 and will include the Minneapolis Park Board.

Andrew said Bourey understands that the county can't work in a vacuum. Indeed, it seems the new administrator's key words are collaboration, communication and participation.

Don't expect major structural changes inside the county, Bourey said. But do expect some changes in the culture. He spent much of his first few weeks meeting with the staff at work sites. Among his first impressions was that employees are starved for communication.



*Taking a global view.*

trust, such as actions that have the effect of pulling decision-making back to central control," he said.

During the search process for the new director, Andrew flew to Hillsborough County to interview staffers and citizens who had worked with Bourey. "He's got a good balance between good managerial skills and good people skills," Andrew said. "The janitors I talked to said, 'He's a nice guy who takes the time to say goodnight to us.'"

Bourey faces challenges that may test both his managerial skills and his affability. For example, the county recently reorganized its massive social services division, at least in part in response to public concern about the county's foster care program. For several years, minority communities questioned the county's record of compliance with the Minority Heritage and Indian Preservation Acts, designed to ensure that minority children are placed in same-race foster homes. Later, some foster families complained about the county's subsequent attempts to improve its compliance with the acts.

A county-appointed commission is now reviewing the county's foster care policies and practices and expects to complete its recommendations by the end of July. Some of the proposed recommendations could be very costly if implemented. Meanwhile, tensions in both minority and foster-care communities continue to simmer. Internally, the reorganization has left some staff roles ill defined.

Bourey also has arrived at a time when Hennepin County faces issues that force it to examine its role in solving regional problems. That role

isn't yet clear, Andrew said, but "the county is going to be asserting itself much more in this discussion." He said counties should be major players in regional issues, and several local counties have been working together to develop a more unified voice at the Legislature. He doesn't like an adversarial style, but "we're willing to go toe-to-toe with the Metropolitan Council if necessary," he said.

Regarding light rail transit, one issue that continues to spark debate about regional governance, Andrew said he isn't sure who should be in charge, but it shouldn't be the Metropolitan Council. "It's an increasingly ineffective agency, and the answer to that problem isn't to give them more power."

Bourey agrees that analysis of the multitude of local government jurisdictions "has to happen." He has observed the effort to develop regional governments in the Tampa, Seattle and Nashville metropolitan areas, and said the lessons from those attempts are mostly about what doesn't work. In Hillsborough County, the regional planning commission didn't provide equal representation to equal size jurisdictions. In the King County (Seattle) area, similar problems led a court to rule the arrangement illegal. When Nashville and Davidson County merged, all the existing wards were maintained, and the resulting 40-member council was too big to be effective.

For a regional government to work, "there needs to be a clearly defined mission, or at least a role that is built on specific tasks that can be accomplished," Bourey said. "Trying to build a great big organization to do everything doesn't work." Both he and Andrew believe members of a regional council should be elected rather than appointed by the governor.

The challenges of the new job will, inevitably, cause frustration, as all jobs do. For now, though, both Andrew and Bourey are upbeat. "Jim Bourey is a quick, decisive leader. He's a rising star," Andrew said.

"I love it here," Bourey said. "Local government is where the rubber meets the road. It's a great place to have a direct positive impact on the community."

*Janet Dudrow is a research associate at the Citizens League.*



# Minneapolis leads nation in non-utility debt per capita

**Seymour Sacks**, a public finance specialist long with Syracuse University, wondered the other day if people here realize that in no city in America is debt service (interest and principal on bonds) higher in relation to city general expenditures than it is in Minneapolis: 38.6 percent, to be precise (according to the 1990 Census of Governments).

City officials would be quick to point out that most of this is money borrowed to help developers do buildings, and that taxpayers are not legally liable for it. That's true. Almost 55 per cent of city debt is issued for "private purposes." Because Minneapolis is also near the top in *tax-supported debt* per capita (\$1,270), it leads the country in *total non-utility debt* per capita (\$5,382). Miami, Boston, Cleveland, Cincinnati, Seattle and some other cities have *no* debt for "private purposes."—*Ted Kolderie*.

**Believing the time is right** for property tax reform, House Tax Committee Chair Ann Rest (DFL-New Hope) has appointed a task force to recommend changes in the state's property tax and aids system for the '94 legislative session. The group, comprised of 22 House members, includes Rest and K-12 Education Finance Division Chair Kathleen Vellenga (DFL-St. Paul). It is co-chaired by DFL Reps. Steve Kelley (Hopkins), Tom Rukavina (Virginia), and Jean Wagenius (Minneapolis).

Rest said the task force is a diverse group, both geographically and philosophically. Half are members of the Tax Committee; half, including co-chair Kelley, are not. Kelley co-authored a comprehensive property tax reform proposal during the '93 session. "The Legislature is ready and the taxpayers are definitely ready for some initiatives in this area," Rest said.—*Dana Schroeder*.

**Researchers in the State Auditor's Office** will also be scrutinizing the property tax system as part of an 18-month study of the state and local fiscal system now underway. According to Jody Hauer, part of the four-person team working on the study, the office hopes to bring recommendations to the 1995 Legislature for revamping the whole state and local fiscal system, including property taxes, state aids, education finance, and the division of respon-

sibility for various services.

Hauer said the team hopes to use an advisory committee to react to the work in progress.—*D.S.*

**Two Minnesotans** are leading national managed health care organizations. George Halvorson, the chief executive officer of HealthPartners, became chair of the Group Health Association of America last month. Marcuz Merz, CEO of Preferred One, became chair of the American Association of Preferred Provider Organizations in 1992.—*Allan Baumgarten*.

**A friend who recently called** the violations bureau about a parking ticket reports being answered by a cheerful recording saying, "Please hold. All of our agents are serving other customers." He's wondering if he should try the jail.—*T.K.*

**Minnesota's counties** are surpassing their recycling goals. A state mandate requires metropolitan-area counties to recycle or compost 35 percent of their waste, and Greater Minnesota counties 25 percent, by the end of this year. New figures for 1992 show that on average, metro counties recycled 46 percent and Greater Minnesota 29 percent. Some counties are still behind the target. But state officials are pleased with last year's results, according to Tony Hainault of the state's Office of Waste Management.

Hennepin County reported that 47 percent of its 1992 waste was recycled or composted, up one percent from 1991, and 51 percent was handled by waste-to-energy facilities. Two percent of the unprocessed waste was landfilled, compared to the state target of five percent by the end of 1993. Of the 656,568 tons that were recycled or composted, 60 percent was commercial waste, 17 percent was residential and fully 20 percent was yard waste.—*Janet Dudrow*.

**The (now 18) local business firms** joined together as the Business Health-Care Action Group have now signed their three-year contract with the state's largest managed-

care plan, HealthPartners (a coming-together of Group Health and MedCenters Health Plan) to offer doctor/hospital care to the companies' employees and their spouses and dependents.

This aggregation on the buyer side of the market is new, and powerful. These firms represent almost 200,000 covered lives in the Twin Cities area. They spend almost \$8 billion a year for health care nationwide, an estimated one percent of the national health-care total.

The second-largest managed-care plan, which lost in the competition for the Action Group's contract—the Medica plan managed by United Health Care—is moving to respond; it has begun bringing in people from the buyer side. Dr. Bryan Bushick, who had been a consultant to the Action Group and who knows a good deal about why HealthPartners won its contract, is now to be "vice president for delivery systems integration" with Medica.—*T.K.*

**Thanks to a \$250,000** appropriation by the 1993 Legislature, at least a few other school districts may be able to replicate the popular career teacher program now in place at Hopkins' Tanglen Elementary. (See June 15, 1993, *Minnesota Journal*.)

The program—under which each child is assigned a career teacher available year-round to assist the child's family—has been around since 1989, but without state funds since 1991. Hopkins was the only

district to continue the program on its own.

Gayle Anderson of the state Department of Education said although plans for distributing the money are not yet solid, it's likely the money will be awarded to districts through a competitive proposal program.—*D.S.*

**With the half-cent** sales tax approved by the City Council, St. Paul will now move ahead to turn its Civic Center into more of a convention center.

In a way that's too bad. It really has been a *civic center*—for the people. High school graduations, the Festival of Nations, the Firefighters' annual concert, a flea market, high school basketball, gymnastics and wrestling tournaments, the motorcycle swap, law, nursing and engineering exams, the dog show and the Sainly City Cat Show, radio hams, the Boy Scout banquet and the Lao Family New Year. A place where the community meets.

It's part of what makes St. Paul different. Minneapolis likes *national meetings* (the bigger, the better) its convention center. And when the new building went up south of Minneapolis' City Hall and people began to refer to it as a "civic center," officials corrected that right away. It isn't the civic center; it's the Hennepin County *Government Center*.—*T.K.*

**Among other** accomplishments of the 1993 legislative session was a new law that defines the raising of llamas, deer, elk, ostriches, emus and rheas as an agricultural pursuit. City slickers: A rhea is a three-toed ostrich.—*J.D.*

**Minnesota Journal  
Citizens League  
Suite 500  
708 S. Third St.  
Minneapolis, MN 55415**

SECOND CLASS  
POSTAGE PAID  
AT MINNEAPOLIS  
MINNESOTA





# Citizens League Matters

July 20, 1993

News for Citizens League Members

## Welcome new members

Sharon Roe Anderson, Frank Ario, Nancy Arnison, Clay Atkinson, Joseph Bagnoli, Donna Bahls, Douglas Baker, Marietta Booth, Richard Bocker, Patricia Browne, Howard Burchell, Steven Cannon, Diane Chatelain, Katherine Christopher, Gough Davis, Linda Donaldson, Bill Dooley, Willis Drake, Mary Dresch, Tracy Elftmann, Mark Eliason, Dennis Fazio, Erik Jorgstrom, Diane Helgersen, Jacquelyn Henning, Anne Henry, Janice Heule, Dave Horan, Michelle Horan, Jill Hurst.

Elwood Johnson, Christine Johnson, Robert Kaul, Pat Kowalski, Tom Kraemer, Ed Kuchnel, Susan LaRock, Tom Leese, Jane Lerdall, Beth Mackey, Roger Mattson, Jeannine McCormick, David Menken, Ellen Mitchell, Allen W. Moen, Pamela Moret, Bonnie Morris, Adair New, Kenneth New, James Otis, Henning Peterson, Len Powell, Silvia Pratt, Peter Ries, Jr., Eric Roberts, David Rooney, Mary Rothchild.

Pat Saari, Orna Samuelly, Diane Sarenpa, A. J. Schaub, Robert Schroeder, Michael Seeland, Dominic Sposeto, Frances Stanton, Norrie Thomas, David Tobey, Denis Wadley, James Waters, Fern White, Annette Wuertz, Paul Wyse, Suzanne Yerg.

## Board approves State Spending report

The Citizens League Board of Directors approved on July 13 the report of the study committee on state expenditures. The board discussed the report at three meetings.

The report, *Minnesota's Budget Problem: A Crisis of Quality, Cost and Fairness*, proposes five principles to guide the redesign of Minnesota's public services in order to improve the value of public spending.

The five principles are: (1) *target* public subsidies directly to people who are financially needy; (2) use *competition* as a tool to align institutional self-interest with the public's interest in the quality and cost of service; (3) make prices of public services reflect *true costs*; (4) meet more public responsibilities through *non-governmental communities* and (5) consider *long-term economic growth* to be one of the objectives of state spending.

## Judge Randy Peterson will chair new regional housing study.

State Court of Appeals Judge **Randy Peterson** will chair the League's new study committee on housing policy and metropolitan development.



Judge Randy Peterson will chair the study of housing issues.

The report recommends how these design principles could reform K-12 and post-secondary education, long-term care for seniors and aid to local governments.

Members are developing an implementation plan for communicating the report's ideas to a variety of audiences.

Thanks to the members of the

study committee for their work:

**Ed Dirkswager** and **Jean King**, Co-chairs; **Tobin Barrozo**, **John Brandl**, **Albert deLeon**, **Paul Gilje**, **Peter Hutchinson**, **Ted Kolderie**, **George Latimer**, **Becky Malkerson**, **Ron McKinley**, **Yusef Mgeni**, **Chuck Neerland**, **Allen Olson**, **Al Quie**, **Hazel Reinhardt**, **Lyall Schwarzkopf**, **Tom Swain** and **Ann Wynia**.

## Volunteers needed

## New outreach effort launched

Volunteers are needed to help lead public meetings on issues the Citizens League is currently examining.

We plan **Speak Ups!** (informal public affairs discussions that don't require a major time commitment) on three topics: *Minnesota's Budget Problem*, *Housing Policy and Metropolitan Development* and *The*

*Metropolitan Region in the Global Marketplace*. The sessions will explain the League's past and current work on the subject and provide a chance to discuss the issue.

Corporations, civic groups and individual citizens can sponsor **Speak Ups!**. Volunteers are needed to lead these informal discussions. Training, meeting materials and logistical support will be provided.

We're also looking for volunteers to form a Citizens League Speakers Bureau. Speakers will present short speeches on issues of League concern to civic organizations and professional groups. You'll get training, issue briefings and materials.

If you are interested in being a speaker or **Speak Up!** leader—or if you'd like to host a meeting at your civic organization or club—contact Janet Dudrow at 338-0791.

Applications to serve on the committee are due on July 23. The committee will begin meeting in August.



You can help

## "Member get a member" drive launched

The League needs your help to recruit new members this year.

This organization was built and is sustained by the vitality of its individual members. Over 40 years ago, a small group of citizens, concerned about the quality and effectiveness of their government, met in homes across the region to discuss and debate public policy. Members were each asked to recruit a new member. In a short time the League membership grew exponentially.

This is a good time to recruit a member. The League has much going on and much to talk about. One new study committee is about to begin; another will start this fall. The League will continue to involve members in the study process with Speak Ups!, On-Line, Mind-Openers and other larger meetings. And the McKnight Foundation will match new member dues in 1993.

### Members offer feedback on Housing study charge

Several members responded to our request for comments on the proposed charge for the study of Housing Policy and Metropolitan Development. They said:

- Both a broader housing strategy and an economic development strategy must be elements of a comprehensive metropolitan strategy.
- Transportation strategies, such as reverse commuting, are a more realistic solution to the mismatch of job opportunities with persons seeking employment.
- Examine the role, function and goals of the core cities. Perhaps the real problem isn't housing, but the fact that the

Do someone a favor - and enrich us all - get a new Citizens League member.

### Welcome to reinstated members

As part of our 1993 drive to build individual membership, we've gone back to hundreds of past members who dropped out in the past three years. And--we're getting them back! **Welcome back:** Bette E. C. Anderson, Jerold O. Bahls, Herbert Bissell, Heidi Lynn Bye, James M. Bye, Henry A. Childers, James M. Christenson, Barry B. Cohen, Leo Foley, Lawrence R. Kaplan, and David L. Knutson.

Chris Lindstrom, Mary Tuss McEvoy, Pat O'Connor, Patrick R. O'Leary, John R. Ritchie, Jr., Tom M. Scott, Elizabeth M. Solem, John Sten, Sabina Sten, Jim Storm, Gertrude Ulrich and Phillip Williams.

core cities aren't functioning properly.

- Consider the impact on housing if local governments established a two-rate real-estate tax, reducing the tax rate on privately-funded buildings and increasing the rate on governmentally-created properties.
- The League should not ignore the issue of racism in examining housing policy and metropolitan development.

In short, people told us: Don't focus narrowly on housing, but look at the whole picture when asking questions about economic opportunity and economic development.

**CITIZENS LEAGUE**

## A community resource

*For more than 40 years, the Citizens League has helped shape the unique character of this metropolitan region. Here are some examples of how League members can be involved in public life.*

### Metropolitan advisory group members named

Two Citizens League members were named to the state advisory council on metropolitan governance established by the 1993 Legislature. The council is chaired by Rep. Myron Orfield and Sen. Carol Flynn.

**Bill Johnstone**, chair of the League's Regional Challenges and Regional Governance study committee, and **Yusef Mgeni**, member of the State Spending committee, were named to the advisory council, which will look at many of the issues identified by the League.

### Commission opportunities

Legislation passed during the 1993 session created two new public commissions, both of which will be filled through the open appointments process. They are:

**The Coalition for Education Reform and Accountability**, charged with developing a strategic plan for implementing reform goals, encouraging systematic change and assisting in implementing reform measures.

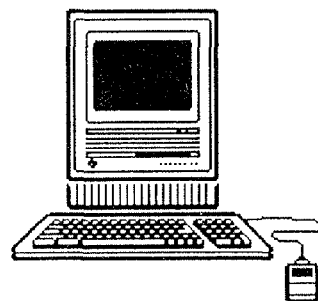
**The Task Force on Student Aid** was established to study and make recommendations on Minnesota's system of financial aid, focusing particularly on the state grant program.

If you are interested in being nominated or endorsed by the League to serve on either of

these committees, please contact Janet Dudrow at the League office by July 31.

### On-Line Update

More than 50 League members now use Citizens League On-Line and its host, the Metroline bulletin board. Take part in the conversation by participating in



the Housing and Social Agenda forums. Add your messages and ideas. This information will be shared with the study committees being developed.

To get to the forums, get on the bulletin board, choose messages, search by subject area (U command) for either housing or social agenda and read the messages there. Reply to the message and link your ideas with others. For help with the bulletin board, contact Marilou Fallis at the League. Our brochure can help you go through the process.

**Frustrated by busy signals when you call On Line?** Metroline has added a second line so calls roll over when needed. This has reduced the chances for a busy signal when you call. If you still get a busy signal, try the second line, 224-2969.