BACKGROUND
After the last Board meeting staff was contacted by the District’s Attorney noting that there are specific statutory requirements regarding the District’s changing its principal place of business.

At present the Minnesota Secretary of State has on file an Order and Resolution dated Feb. 23, 1976, and noted as document no. 19249 filed and on Feb. 27, 1976, changing the CCWD’s principal place of business from the City of Coon Rapids to the Bunker Lake Activity Center of Anoka County, situated at 550 Bunker Lake Boulevard, Anoka, Minnesota.

Minnesota Statutes section 103D.321 (2015) governs the watershed district’s principal place of business, and sets out the following requirements for changing the principal place of business.

1. First, in subdivision (1) the legislature provides that if “public facilities” are not available for a watershed district’s “principal place of business” within the watershed district, the Board of Water and Soil Resources (BWSR) shall determine and designate the nearest suitable “public facility” as the watershed district’s “principal place of business.”

2. Second, Subdivision (2) then sets out the following requirements for the watershed district board of managers to change its “principal place of business” to a different location “within the watershed district.”
   1. The managers must first pass a resolution stating the proposed change of location.
   2. After the managers have passed this resolution, the managers must set a time and location for hearing on the change of the principal place of business.
   3. The managers must give notice of the hearing by publication in a legal newspaper, published in Anoka County, with the last publication occurring at least ten days before the hearing. Under Minnesota Statutes section 103D.011 (22) (2015), the publication must be once a week for two successive weeks.
   4. The notice of hearing must also be mailed to the auditor of the county affected by the watershed district (here this would be Anoka County – since Anoka County no
longer has a designated “auditor” the notice must be mailed to the Anoka County auditor designee). This notice of hearing must be mailed at least ten days before the hearing.

5. Upon holding a hearing on this matter, the managers may, by order, change the place of business.

6. The district must then file a certified copy of the managers’ order with the Minnesota Secretary of State, and with BWSR. The change of the principal place of business of the watershed district is effective upon filing the certified copy of the managers’ order with the Secretary of State.

ISSUES/CONCERNS

Existing Place of Business: Bunker Hills Activity Center.

Change of Location: Any change in location of the “principle place of business” must be within the legal boundaries of the District.

New Office Building: When the new office building or at least the office location is settled on, the Building will be a public facility and the District should/will need to process its new “principle place of business” with the Secretary of State at that time.

Cost of Process: Three of the steps require expenditures over and above staff time: Noticing the public hearing, mailing the notice to Anoka County and filing the ‘order’ with the Minnesota Secretary of State. The total estimated cost would be around $800.

PRIOR DECISIONS

February 1976 – District Board moved the principal place of business from the City of Coon Rapids to Bunker Hills Activity Center.

March 2016 – District is asked to change meeting rooms at Bunker Hills Activity Center to a room with historically poor acoustics.

April 2016 – Board considers no longer meeting at Bunker Hills Activity Center and decides to hold the second meeting in May.

OPTIONS

Change of Location: There are two options, should the Board wish to change locations now:

1. Change “principle place of business to the current District office location: This option has the following pros & cons:

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<th>Pros</th>
<th>Cons</th>
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<td>The alternative would claim that a lease for space held by a public entity makes</td>
<td>The option could be subject to the “public facilities” argument, which states that</td>
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Pros | Cons
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that space “public” for the duration of the lease. | even though the District (a public entity) has a lease, the “facility” is not “public” and therefore unsuitable, under the law, for listing as a “principle place of business”.

Probability that the ‘public facilities’ argument would be presented is low to very low. | However, the “public facilities” issue could still be raised.

Equipment, files and digital resources are readily available | While transport of these items has been successful for 40 years the complexity of issues and documentation needs favors being able to readily access District records in the future.

This option would require the District to refile our principle place of business within 2 years.

2. **Do not change locations until new office building location is settled:** This option involves continuing to meet at BHAC. Pros and cons of this alternative are:

Pros | Cons
--- | ---
Reduces the number of changes in the District’s place of business. | Continued transport of meeting materials and documentation

There is no doubt that we are meeting at a public facility

**RECOMMENDATION**  
Option 2 is perhaps the most prudent option