COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: January 12, 2015
AGENDA NUMBER: 14
ITEM: Ham Lake Boundary Amendment Assessment

POLICY IMPACT: Discussion
FISCAL IMPACT: Not Budgeted

REQUEST
Discussion of options and provide staff direction

BACKGROUND
On March 18, 2014 the City of Ham Lake requested that the Watershed District consider revising its boundary in the northwest and northeast corners of Ham Lake to include an additional 2,256 acres into the District’s jurisdictional boundary from the Upper Rum River and Sunrise River Watershed Management Organizations. The letter is attached.

On November 10, 2014 the Board forwarded the Draft petition to the following units of government with a request for a “letter (or resolution) of concurrence”. The Distribution list and dates the petition was to be considered are:

<table>
<thead>
<tr>
<th>Unit of Government</th>
<th>Meeting Date for Consideration</th>
<th>Outcome</th>
<th>Reasons/Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Ham Lake</td>
<td>1/5/15</td>
<td>Concurs</td>
<td></td>
</tr>
<tr>
<td>Upper Rum River WMO</td>
<td>1/6/15</td>
<td>Did not concur</td>
<td>Financial impacts to residents without any additional work planned or benefits was a theme of the discussion.</td>
</tr>
<tr>
<td>Sunrise River WMO</td>
<td>1/8/15</td>
<td>Did not concur</td>
<td>The new boundary going through Coon Lake was a noted issue.</td>
</tr>
</tbody>
</table>

The letters and resolutions received are attached. Reports on the actions of the WMOs were received from Jamie Schurbon, ACD
OPTIONS

Hold Petition for Further Consult with Stakeholders (City & WMOs):

**Hold Petition for Consult with City of Ham Lake:** The City of Ham Lake was the initiator of the effort to amend the CCWD Boundaries

**Submit Petition:** Submit petition to the BWSR for review and action

RECOMMENDATION

Hold Petition and Consult with City of Ham Lake
January 6, 2015

Board of Directors
Upper Rum River Watershed Management Organization
Oak Grove City Hall
19900 Nightingale Street NW
Cedar, MN 55011

Board of Directors
Sunrise River Watershed Management Organization
East Bethel City Hall
2241 221st Avenue NE
East Bethel, MN 55011

Dear Members of the Board of URRWMO and SRWMO:

Attached is a copy of Resolution No. 15-05 adopted by the Ham Lake City Council at their meeting on January 5, 2015 serving as a Statement of Concurrence of the petition for boundary change between the Sunrise River and Upper Rum River Watershed Management Organizations and the Coon Creek Watershed District. Also attached is a copy of a Memorandum dated December 29, 2014 from City Engineer Tom Collins discussing the pros and cons of this proposal. After considerable discussion, this resolution was adopted by a unanimous vote of council members in attendance.

We look forward to working with both WMOs to continue to the process for completion of this potential jurisdictional boundary change.

Sincerely,

[Signature]

Doris A. Nivala
Administrator

cc: Tim Kelly, District Administrator
    Coon Creek Watershed District
RESOLUTION NO. 15-05

WHEREAS, the City of Ham Lake requested the Coon Creek Watershed District to amend its' boundary to include portions of the Sunrise River and Upper Rum River Watershed Management Organizations within the City of Ham Lake, and

WHEREAS, the Coon Creek Watershed Board of Managers voted unanimously to honor that request, and

WHEREAS, this will provide better services to tax payers at a lower cost, and

WHEREAS, this will simplify and standardize the management of both surface and groundwater, and

WHEREAS, this will create efficiencies between the City of Ham Lake and the Coon Creek Watershed District to reduce present and future costs to tax payers, and

WHEREAS, this will provide additional or alternative methods to financing the work needed for sound water resource management.

NOW, THEREFORE, be it resolved that this Resolution serves as a Statement of Concurrence of the petition for Boundary Change between the Sunrise River and Upper Rum River Watershed Management Organizations and the Coon Creek Watershed District.

Adopted by the City Council of the City of Ham Lake this 5th day of January, 2015.

[Signature]
Michael G. Van Kirk, Mayor

[Signature]
Denise Webster, City Clerk
Memorandum

Date: December 29, 2014

To: Mayor and Councilmembers

From: Tom Collins, City Engineer

Subject: Potential Coon Creek Watershed District jurisdictional boundary expansion

Introduction:
Direction at the December 16th Council meeting was to identify the pros and cons for the Coon Creek Watershed District (CCWD) expanding their jurisdictional boundaries to include those portions of the City that are currently located within the Sunrise River Watershed Management Organization (SRWMO) and the Upper Rum River Watershed Management Organization (URRWMDO). The Council needs to determine whether to adopt the Statement of Concurrence Resolution for the potential jurisdictional boundary change.

Per the draft Petition for Boundary Change, there are 563 parcels that are currently located within the WMOs. Of the 563 parcels, 325 are developed and only 15 of the 238 undeveloped parcels (6%) are potentially developable because of wetland, high water and/or high flood potential.

Discussion:
As discussed at the December 16th Council meeting, a permit needs to be obtained from the Local Government Unit (LGU) for activities that may impact wetlands. For those portions of the City that are in the WMOs, the City is the LGU, with the responsibility of administering the Wetland Conservation Act (WCA). Per the attached Resolution 14-02, the City Engineer is the decision making authority for WCA exemptions, no-loss, wetland boundary and type, sequencing, replacement plans and wetland banking applications located within the WMOs. The Board of Soils and Water Resources (BWSR) require that a representative of the LGU attend yearly LGU administrative training at the BWSR Academy, which is "a three-day, cost effective annual training event for conservation-based local government staff". Prior Academies have been located at Brainerd and Breezy Point, with a cost of attending the Academy of approximately $125 per day for registration and lodging. This does not include hourly wages for attendance.

Page 8 of the draft Petition included a range in property taxes that would be collected. Upon further discussion with CCWD Administrator Tim Kelly, the approximate property taxes that would be collected, by property value, from those Ham Lake property owners that are currently located within the WMOs is $18,400 based on the 2014 CCWD levy.

Pages 9 thru 11 of the draft Petition include Pros and Cons of the boundary expansion in relation to protecting, preserving, and using natural surface and groundwater storage and retention systems, protecting and improving surface and groundwater quality, establishing more uniform
local policies and official controls for surface and groundwater management, preventing erosion of soil into surface water systems, promoting groundwater recharge and protecting and enhancing fish and wildlife habitat and water recreational facilities. The following are further pros and cons of the boundary change:

Pros

- The WMOs deal only with surface waters, whereas the CCWD manages surface water and groundwater.
- Uniformity cost participation in protection of surface and groundwater. The property owners that are currently located within the CCWD are paying for property taxes to the CCWD and are partially paying for the WMOs annual costs due to these costs being paid from the General Fund. Expansion of the jurisdictional boundary would equate to all property owners paying equally.
- Expansion would result in uniform policies throughout the City. There are currently different policies between the CCWD, the SRWMO and the URRWMO regarding buffers to existing wetlands (CCWD – buffers not required; SRWMO - 15-foot wide buffer from any wetland type; URRWMO - 15-foot/20-foot/25-foot buffer width depending on wetland prioritization). The wetland buffers are required to be located within a drainage and utility easement, resulting in less usable land on properties. There are also different policies related to infiltration (CCWD requires infiltration of the first inch of rainfall over the contributing drainage area and the WMOs require infiltration of the first ½ inch of rainfall from the new impervious area). There are also different design standards for pre and post construction stormwater runoff rates between the CCWD and the WMOs.
- Expansion would provide an additional measure of protection. Plans within the City of Ham Lake that are located within the WMOs are only reviewed by the City. Plans in the CCWD are reviewed by the City and the CCWD. CCWD review is in relation to compliance with their Rules.
- Expansion would negate a budget item for LGU activities, which are a varying dollar amount from year to year. Total LGU costs for 2012, 2013 and 2014, which includes membership to the WMOs, meeting per diem, review and commenting on the lack of uniformity between the wetland standards for both WMOs, completing the annual WCA Natural Resources Block Grant Expense Report Form, completing the annual WCA Reporting Form, reviewing and commenting on proposed FEMA revisions within the WMOs, review of the SRWMO TMDL Study, review of the URRWMO Performance Review and Assistance Program, an LGU Audit by BWSR and the potential expansion of the CCWD jurisdictional boundary, were $5,628.43, $6,820.91 and $10,528.31 respectively.
- The CCWD offers free technical assistance for up to 2 hours to determine if a Permit is required. Technical assistance in the WMOs is charged at hourly rates.
- Attendance at the yearly BWSR Academy would not be required.
- Removes any perceived conflict of interest for City street construction/reconstruction projects within the WMOs where RFC is designing the projects and reviewing the projects as the LGU.
- Expansion would negate the imbalance of WMO administration payments as compared to the City’s area percentage of the WMOs. The City is paying 25% of the administrative
costs of the SRWMO, although the City is only 2.6% of the total area. The City is paying 16.67% of the administrative costs of the URRWMO, although the City is only 1.3% of the URRWMO.

**Cons**
- Overall cost increase for administration of the WCA, which is paid thru property taxes rather than the General Fund.
- Loss of two Ham Lake citizens on the WMO Boards.

**Recommendation:**
Determine whether to adopt the attached Statement of Concurrence Resolution.