

**COON CREEK WATERSHED DISTRICT
Request for Board Action**

MEETING DATE: June 8, 2026
AGENDA NUMBER: 6
ITEM: Administrator’s Report

AGENDA: Consent

REQUESTED ACTION:
 Receive report.

ADMINISTRATOR’S EVALUATION

District Capacity and Capability

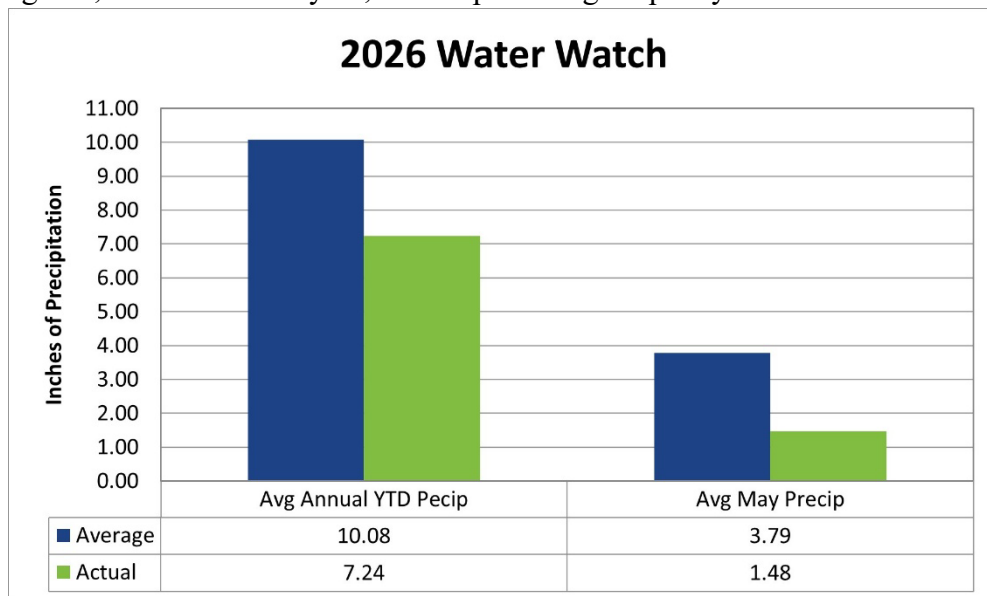
Efforts continue to focus on aligning staffing, workload expectations, and program priorities with available resources. Recent hiring efforts, including the Watershed Development Specialist and Project Manager positions, have improved organizational capacity. Workload balancing, succession planning, consultant support, and long-term staffing needs continue to be evaluated as part of operational and budget planning.

MANAGEMENT SITUATION

Natural Environment

The District received an average of **2.7 inches** of precipitation in the month of April. That puts the District at average for the month and 0.53 inches (8%) below for the year.

According to the latest [US Drought Monitor](#) release (May 28), all of Anoka County is now classified as Abnormally Dry. This is the first drought designation in Anoka County since January 2026. Water levels and flows across the District and throughout the region are low, or approaching low, for this time of year, and ample storage capacity remains across the landscape.



Management Environment

Agency	Status
Federal Government	<ul style="list-style-type: none"> FEMA and DNR are initiating an Anoka County Risk MAP flood study update, with a virtual kickoff meeting scheduled for June 30. Staff are also monitoring federal infrastructure funding, special district recognition, Clean Water Act Section 401 changes, Corps nationwide permits, and related policy issues.
State Government	<ul style="list-style-type: none"> The 2026 Minnesota legislative session adjourned on May 17 with limited direct operational impacts to the District. Notable items include new self-insurance authority for watershed organizations, a scheduled 50% reduction in state AIS funding beginning in 2027, new public improvement contractor payment information requirements effective August 1, and capital investment funding for DNR Flood Hazard Mitigation Grants and BWSR programs. Other monitored proposals did not result in immediate District operational changes.
Minnesota DNR	<ul style="list-style-type: none"> DNR continues developing updated Twin Cities HUC8 flood risk information, including the Coon Creek watershed. Flood risk review meetings are anticipated later this summer, and the updated data will support future Flood Insurance Rate Map and Flood Insurance Study updates. Anoka County remains on a separate countywide mapping timeline.
Minnesota Pollution Control Agency (MPCA)	<ul style="list-style-type: none"> MPCA released the draft 2026 Impaired Waters List for public comment through July 22. The impaired waters list is updated every two years under the federal Clean Water Act and identifies waters that do not meet water quality standards. No new impairments or delistings are proposed within the District. MPCA is proposing to reclassify three 2024 E. coli-based recreation impairments for Ditch 11, Ditch 41-4, and Ditch 58 from EPA Category 5 to EPA Category 4a, meaning the impairments would be recognized as already having an EPA-approved TMDL. This change reflects prior District comments that the 2016 Coon Creek Watershed District TMDL and WRAPS already address E. coli pollution Districtwide, including tributaries to Coon Creek and Sand Creek. Staff do not anticipate submitting additional comments on the 2026 list. MPCA has notified partners that MS4 annual reporting may be delayed while the state reporting system is completed.
Minnesota Watersheds	<ul style="list-style-type: none"> Minnesota Watersheds is coordinating member input on Clean Water Fund priorities, proposed 2026 resolutions, DNR permitting process improvements, and other statewide watershed policy issues. Staff are reviewing whether District comments are warranted.

COLLABORATOR ACTIONS CAPACITY AND CAPABILITY

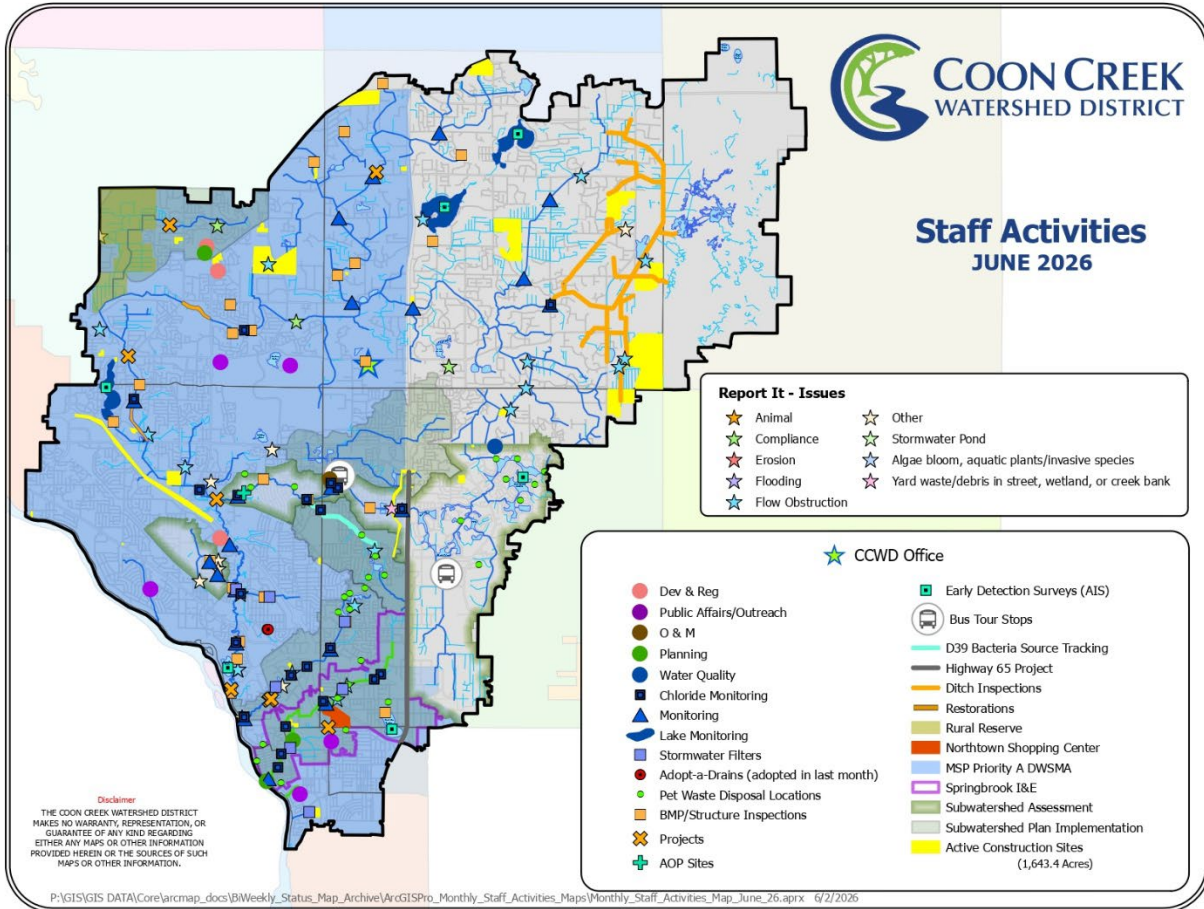
Collaborator	Description
Anoka County	<ul style="list-style-type: none"> • Administering the standard appointment process to solicit applications for consideration to fill the CCWD Board vacancy following Manager Lind’s departure. • The <i>We Are Water</i> exhibit is scheduled to come to Northtown Library.
Regional Partners	<ul style="list-style-type: none"> • Anoka Conservation District informed the District that state grant funding is not currently available for ongoing invasive phragmites control work in 2026. ACD is hopeful funding may be restored in 2027 and has requested CCWD staff assistance with inspecting known infested sites within the District and coordinating control efforts if needed. CCWD maintains an aquatic invasive species contingency fund that may be available for time-sensitive response needs. • Staff reviewed the Anoka Conservation District 2025 Annual Report. The report highlights continued implementation work throughout Anoka County, including groundwater protection, shoreline stabilization, habitat restoration, and cost-share programs supported in part through watershed-based implementation funding partnerships.

STAFF ACTIVITIES

Strategic Management Activities

- 1) **State Permitting Coordination:** Staff continue coordinating on state permitting issues affecting project delivery, including the DNR stream restoration process improvement workgroup, DNR permitting guidance discussions through Minnesota Watersheds, and shared concerns with St. Louis County regarding the MPCA 401 certification process. Staff will continue monitoring whether administrative, policy, or legislative follow-up is needed.
- 2) **Highway 65 Improvements:** Staff reviewed potential Highway 65 project impacts to existing stormwater infrastructure. Minor coordination items have been identified, but no major District concerns or Board action are needed at this time.
- 3) **Comprehensive Planning Coordination:** Staff continue monitoring Metropolitan Council planning guidance as member communities prepare for comprehensive plan and local water plan updates due through 2028.
- 4) **Ditch 39 Flood Modeling and Planning:** The MPCA grant agreement is otherwise ready for execution but is pending final administrative processing by MPCA. Staff have completed internal coordination with Stantec so project work can begin once the grant agreement is executed.
- 5) **Interest Proposals for Consultant Services:** Following Board authorization, staff posted the solicitation for interest proposals for legal, professional, and technical consultant services on the District website. Submittals are due July 3, and staff will return to the Board with the results and any recommended next steps.
- 6) **Public Communication:** Staff are coordinating a June 24 QCTV interview opportunity to provide a brief public overview of the District's role and resident stormwater actions.
- 7) **SWPPP Annual Reporting:** Staff are preparing the District's annual SWPPP report, which is due at the end of June. Public notice is being prepared for the required public hearing, anticipated for the second Board meeting in June.

Operations Activities



DISTRICT CAPACITY AND CAPABILITY

Equipment:

- Planning is underway to replace one fleet vehicle in 2026.

Facilities:

- Staff received preliminary cost feedback for the office remodel and space optimization concepts. Staff will incorporate the information into upcoming facility and budget discussions.

Staffing:

- Complement & Strength: 14.55 FTE
- Staffing plan: Staff continue evaluating workload, succession planning, program needs, and implementation capacity. A staffing plan item is anticipated for Board discussion in July.
- Project Manager/Watershed Restoration & Protection Coordinator: David Petrie has started onboarding in the position.

Sustaining:

- Metro-INET is implementing new Microsoft 365 security controls that will eventually restrict access from personal computers. Staff will coordinate with Metro-INET and provide additional information before changes affect District Board or staff accounts.
- Website accessibility updates are substantially complete, and staff anticipate receiving a conformance letter soon. The work was completed ahead of the original compliance timeline, which has since been extended for special district governments.

Budget & Financials

- Annual audit: Staff received the draft 2025 Annual Financial Report. The audit exit meeting will be scheduled, and the final report will be brought to the Board for review.

**Coon Creek Watershed District
CCWD - Budget Report**

As of Date: 05/31/2026

	Year Ending 12/31/2026	Year To Date 05/31/2026			
	CCWD 2026 Budget	CCWD 2026 Budget	Actual Expenses YTD	Variance YTD	
Revenue					
Property Taxes	6,924,414.00	2,885,175.00	0.00	2,885,175.00	-100%
Fees & Charges	180,573.00	75,240.00	99,315.67	(24,075.67)	32%
Grants	2,372,179.00	988,410.00	0.00	988,410.00	-100%
Other Revenue	180,000.00	75,000.00	75,352.64	(352.64)	0%
Total Revenue	9,657,166.00	4,023,825.00	174,668.31	3,849,156.69	-96%
Expense					
Salaries & Benefits	2,711,666.00	1,129,865.00	861,735.45	268,129.55	-24%
Professional Services	527,084.00	219,615.00	172,354.32	47,260.68	-22%
Operating Expenses	367,759.00	153,240.00	120,844.96	32,395.04	-21%
Program Expense	6,713,313.00	2,797,230.00	499,383.18	2,297,846.82	-82%
Capitalized Expenses	71,000.00	29,585.00	4,258.00	25,327.00	-86%
Total Expense	10,390,822.00	4,329,535.00	1,658,575.91	2,670,959.09	-62%

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**Coon Creek Watershed District
Cash Balance**

As of Date: 05/31/2026

	Escrow Fund	General Fund	All Funds
	Month Ending	Month Ending	Month Ending
	05/31/2026	05/31/2026	05/31/2026
Cash and Cash Equivalents			
Cash	1,601,704.12	(1,861,722.28)	(260,018.16)
Petty Cash	0.00	250.00	250.00
Investment Account	23,060.00	5,580,339.28	5,603,399.28
Total Cash and Cash Equivalents	1,624,764.12	3,718,867.00	5,343,631.12

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May started with an operational fund balance of approximately \$4,002,889.88
Change in net cash position was - \$284,022.88
Balance of the escrow trust fund is \$1,574,889.12
Five month into the fiscal year, the budget variance is -34%