COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE:	September 14, 2026
AGENDA NUMBER:	6
ITEM:	Administrator’s Report
AGENDA:	Consent

REQUESTED ACTION:
Receive report.

ADMINISTRATOR’S EVALUATION

District Capacity and Capability

District operations remain generally stable as the organization transitions from the peak field season into fall planning and implementation. Planned and routine work continues to progress, with workload and program capacity remaining generally manageable. Attention is increasingly shifting toward 2027 workload planning, staffing and succession needs, consultant support, and preparation for upcoming budget and organizational decisions.

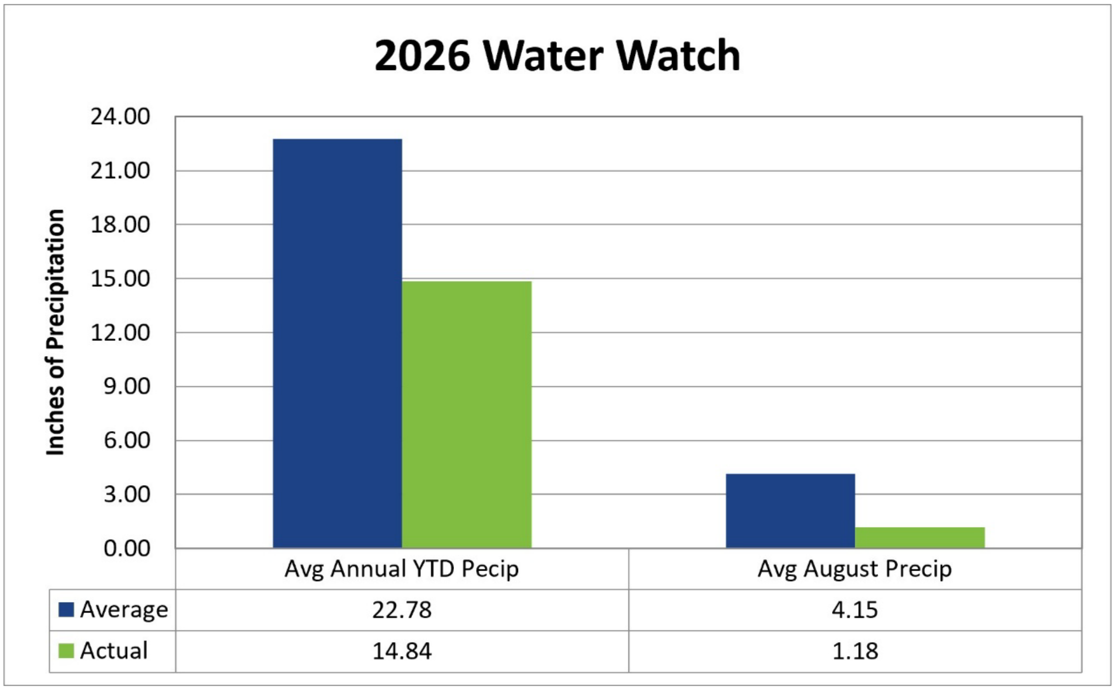
MANAGEMENT SITUATION

Natural Environment

The District received an average of 1.18 inches of precipitation during August. This puts the District 2.97 inches (72%) below average for the month and 7.94 inches (35%) below average for the year. Growing season precipitation is 7.4 inches (45%) below average.

According to the latest U.S. Drought Monitor release (August 25), all of Anoka County is experiencing Severe Drought. Water levels and streamflows across the District are as low as they have been all year, with some streams and ditches nearing or going dry. As a result, plenty of storage capacity exists across the landscape.

Staff continue monitoring District water resources through changing summer conditions, including periods of heat, drought, heavy rainfall, strong storms, and seasonal aquatic vegetation growth. These combined conditions can affect drainage function, water temperature, dissolved oxygen, water quality, aquatic life, and recreational use. No conditions outside expected seasonal ranges have been identified locally to date, although fish kills, excessive vegetation growth, and recreational water quality concerns have been reported elsewhere in the region. Staff will continue monitoring and respond as appropriate if local conditions worsen.



Management Environment

Agency	Status
Federal Government	• NOAA anticipates releasing preliminary Atlas 15 precipitation-frequency estimates for public review in September 2026. The updated estimates may affect future stormwater design, flood modeling, infrastructure planning, and project costs.
State Government	• No report
Board of Water and Soil Resources (BWSR)	• No report
Minnesota Department of Natural Resources (DNR)	• The DNR activated the State Drought Task Force in response to worsening drought conditions across Minnesota. The task force supports statewide coordination, information sharing, and drought-response planning.
Minnesota Pollution Control Agency (MPCA)	• MPCA continues preparing the next MS4 General Permit and is now targeting reissuance in fall 2026. A formal public notice draft is expected before issuance.
Minnesota Watersheds	• The Strategic Plan Committee completed proposed revisions to the Minnesota Watersheds Strategic Plan for consideration by the membership at the annual business meeting later this year. • Planning is underway for the Minnesota Watersheds Annual Conference in December. Additional conference information and the meeting schedule are expected later this fall. Staff will return to the Board once those materials are available to confirm attendance and delegate participation.

COLLABORATOR ACTIONS CAPACITY AND CAPABILITY

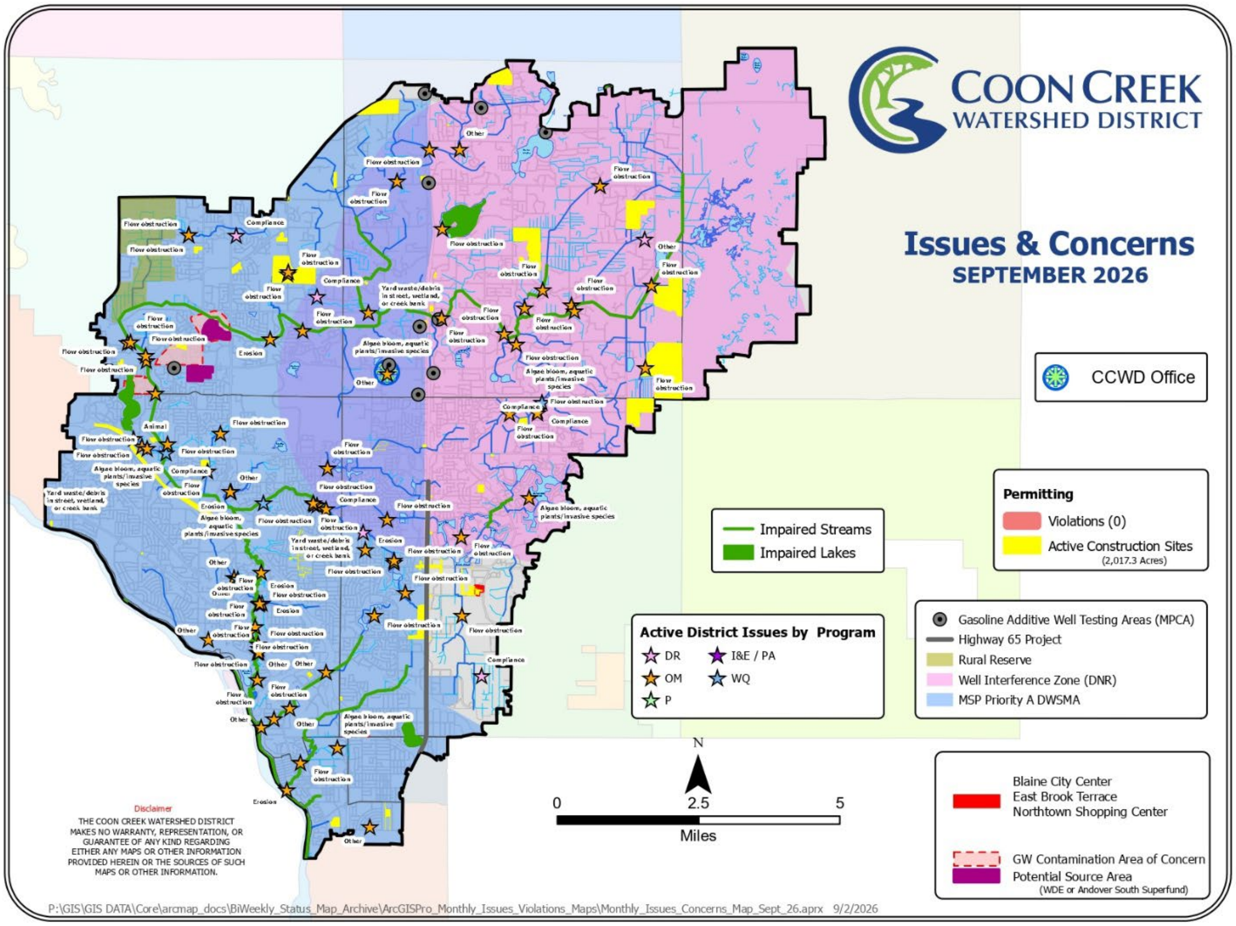
Collaborator	Description
Anoka County	• No report
Anoka Conservation District	• No report
Cities	• No report

PROBLEMS, ISSUES, AND CONCERNS

Strategic Issues and Concerns

- **Stormwater Reuse and Plumbing Code Restrictions:** Concerns were raised that proposed plumbing code changes could unintentionally restrict outdoor stormwater reuse. Those concerns have been recognized, and current efforts are focused on allowing the broader code update to move forward while providing more time to address stormwater reuse. MPCA is also updating reuse guidance, with CCWD participating on the technical advisory team.

Operational Issues and Concerns

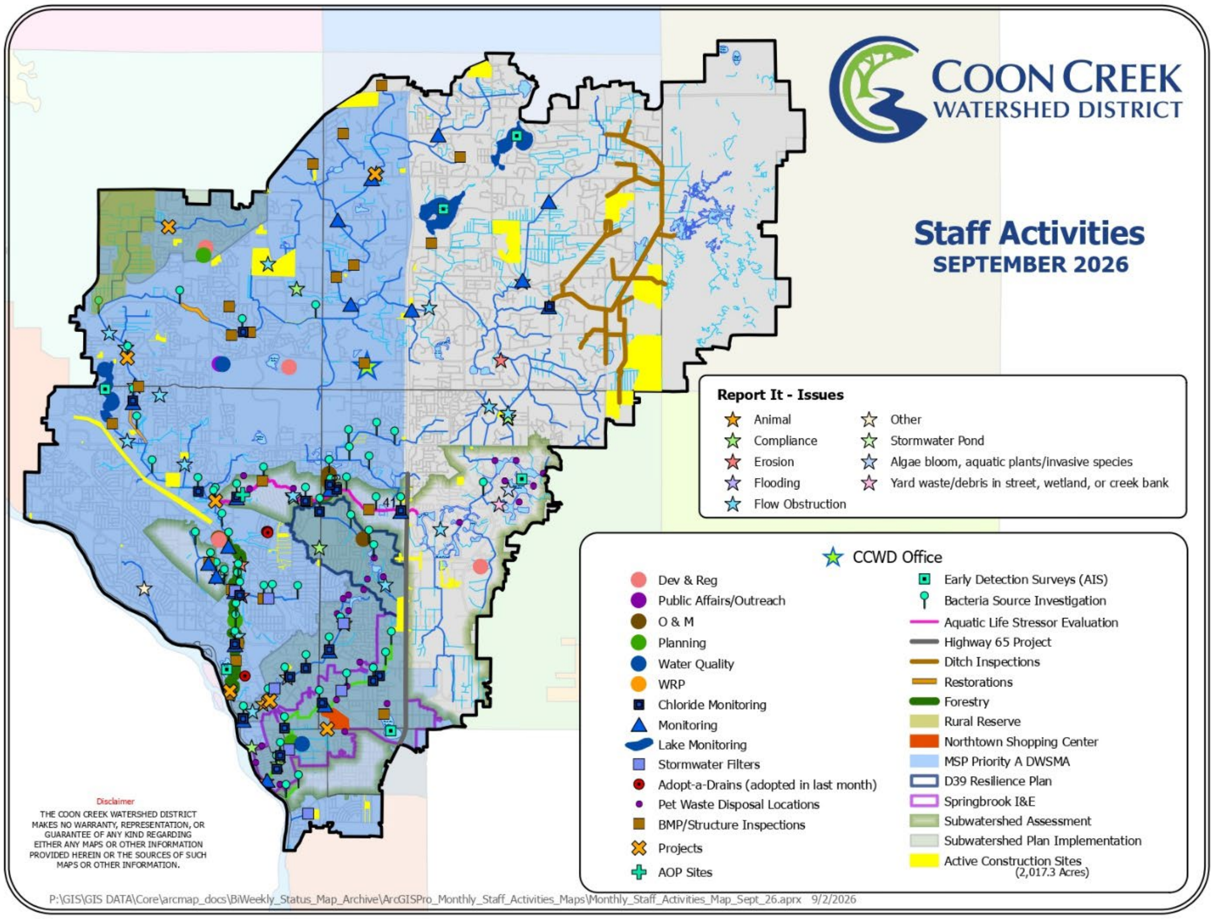


STAFF ACTIVITIES

Strategic Management Activities

1) **State Permitting Coordination:** Staff continue participating in statewide efforts to improve permitting and project delivery. Recent work has focused on the DNR Public Waters Work Permit process, including continued efforts with Minnesota Watersheds to clarify application completeness requirements and improve transparency for applicants. Staff also continue participating in the statewide creek restoration workgroup, with the next workshop scheduled for October.
2) **Districtwide Water Quality Modeling:** Preliminary results from the District's watershed-scale water quality model are complete. Staff are reviewing and finalizing the results and expect to present the findings and potential planning implications to the Board this fall.
3) **District Rule Revisions:** Staff distributed the proposed rule revisions and Notice of Intent to Adopt Rule Revisions to reviewing agencies. The agency review period ended on September 11, 2026. Staff will compile comments and return to the Board as the rulemaking process advances.
4) **Economic Analysis:** Staff released the District's Economic Analysis RFP following prior Board direction. Proposals are currently being accepted, and staff anticipate returning to the Board with a recommendation for consultant selection this fall.
5) **Office Rear Parking:** Following prior Board authorization to seek quotes, staff completed the additional City coordination needed for the project and are now obtaining contractor quotes. Staff anticipate returning to the Board with a recommendation for award this fall.
6) **Coon Creek Restoration:** Geomorphic analysis and the SQT pilot study are underway along the mainstem of Coon Creek to support the District's future creek restoration projects. The current work is focused on understanding existing channel conditions, identifying practical restoration needs and opportunities, and establishing the technical foundation needed to move future projects into design and implementation.

Operations Activities



DISTRICT CAPACITY AND CAPABILITY

<u>Equipment</u>:

- Planning is underway to replace one fleet vehicle after the heavy field season fleet usage.

<u>Facilities:</u>

- No report

<u>Staffing</u>:

- <u>Complement & Strength</u>: 14.55 FTE
- Efforts continue to prepare for the Administrative Services Coordinator transition in 2027. Recruitment is expected to begin this fall allowing time for hiring and transition overlap.

<u>Sustaining</u>:

- No report

Budget & Financials

Coon Creek Watershed District
CCWD - Budget Report
As of Date: 08/31/2026

	Year Ending 12/31/2026	Year To Date 08/31/2026			
	CCWD 2026 Budget	CCWD 2026 Budget	Actual Expenses YTD	Variance YTD	
Revenue					
Property Taxes	6,924,414.00	4,616,280.00	3,638,550.98	977,729.02	-21%
Fees & Charges	180,573.00	120,384.00	154,427.47	(34,043.47)	28%
Grants	2,372,179.00	1,581,456.00	0.00	1,581,456.00	-100%
Other Revenue	180,000.00	120,000.00	159,954.38	(39,954.38)	33%
Total Revenue	9,657,166.00	6,438,120.00	3,952,932.83	2,485,187.17	**-39%**
Expense					
Salaries & Benefits	2,711,666.00	1,807,784.00	1,442,342.78	365,441.22	-20%
Professional Services	527,084.00	351,384.00	280,615.67	70,768.33	-20%
Operating Expenses	367,759.00	245,184.00	150,475.67	94,708.33	-39%
Program Expense	6,713,313.00	4,475,568.00	987,455.80	3,488,112.20	-78%
Capitalized Expenses	71,000.00	47,336.00	8,508.00	38,828.00	-82%
Total Expense	10,390,822.00	6,927,256.00	2,869,397.92	4,057,858.08	**-59%**

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Coon Creek Watershed District
Cash Balance
As of Date: 08/31/2026

	Escrow Fund Month Ending 08/31/2026	General Fund Month Ending 08/31/2026	All Funds Month Ending 08/31/2026
Cash and Cash Equivalents			
Cash	1,763,577.05	(1,770,736.83)	(7,159.78)
Petty Cash	0.00	250.00	250.00
Investment Account	23,060.00	8,092,885.19	8,115,945.19
Total Cash and Cash Equivalents	**1,786,637.05**	**6,322,398.36**	**8,109,035.41**

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August started with an operational fund balance of approximately $6,616,172.90
Change in net cash position was - $293,774.54
Balance of the escrow trust fund is $1,809,734.12
Eight months into the fiscal year, the budget variance is -20%