



JUNE						
S	M	T	W	T	F	S
	4	5	6	7	8	9
	11	12	13	14	15	16
	18	19	20	21	22	23
	25	26	27	28	29	30

JULY						
S	M	T	W	T	F	S
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

RCWD BOARD OF MANAGERS WORKSHOP

Monday, June 12, 2023, 9:00 a.m.

**Rice Creek Watershed District Conference Room
4325 Pheasant Ridge Drive NE, Suite 611, Blaine, Minnesota**

or via Zoom Meeting:

Join Zoom Meeting

<https://us06web.zoom.us/j/84872738925?pwd=OWxlalBDcG9GUDRWWEEd5RGdEZG02Zz09>

Meeting ID: 848 7273 8925

Passcode: 706227

Dial by your location +1 312 626 6799 US (Chicago)

Meeting ID: 848 7273 8925

Passcode: 706227

Agenda

ITEMS FOR DISCUSSION (times are estimates only)

- 9:00 Metro Shooting Settlement Agreement Implementation
- 10:00 District Funds – 4M Fund Investment & Release Budget Planning Schedule
- 10:45 Centerville Lake Water Management District
- 11:30 Water Quality Grant Program Update
- Administrator Updates (If Any)

9:00 Metro Shooting Settlement Agreement
Implementation



MEMORANDUM

Rice Creek Watershed District

Date: June 6, 2023
To: RCWD Board of Managers
From: Nick Tomczik, Administrator
Subject: Metro Shooting Settlement Agreement Implementation

Introduction

At its February 6, 2023 workshop meeting, the Board of Managers asked the District administrator to prepare a recommendation as to how the Rice Creek Watershed District should understand and fulfill its obligations under the 2005 settlement agreement with Metro Shooting Center Corp. (MSCC). I have reviewed the agreement with District staff, engineer, and counsel, and offer my recommendation at the close of this memorandum.

Background

The Settlement Agreement

In February 2005, the District, Anoka County, the Minnesota Department of Transportation, and the City of Blaine, as defendants, and MSCC as plaintiff, entered into a "Settlement Agreement and Order." The settlement resolved a lawsuit that MSCC had brought against the defendants related to management of Anoka County Ditch (ACD) 53-62. Under the settlement agreement:

- The defendants paid MSCC a total of \$437,500 (the District's share was \$217,500) for damages related to alleged past inadequate maintenance and obstruction of ACD 53-62.
- MSCC concurred in the elevation of 891.46 feet MSL for the ACD 53-62 main trunk upstream of Lexington Avenue (this elevation since has been established as the as-constructed and subsequently improved condition, or ACSIC).
- Of MSCC's 135-acre parcel, the District agreed that MSCC would be "entitled to a minimum of one hundred (100) consolidated, contiguous, non-wetland acres suitable for development purposes." To the extent the Minnesota Wetland Conservation Act (WCA) and the District's wetland rule would require a future development to provide wetland replacement credits beyond what would have been required at the time of settlement, the District would provide these credits.
- Blaine agreed to supply the first 6.7 acres of any District wetland replacement credit obligation, under terms set forth in a separate agreement.

The scope of the District's obligation under the third bullet is the subject of this memo and the workshop discussion. In the intervening 18 years, there has been development interest in the MSCC property, yet none rising to the level of submitting a permit application to the District and so to require a focus on and answer to this question. With recent evidence of development interest, and related communications from Rick Wilder of MSCC asking about how the District would review a development

MEMORANDUM

Rice Creek Watershed District



proposal, the Board has decided that it is time to establish how the District will approach development involving the MSCC property.

The Village Meadows Comprehensive Wetland Management Plan

MSCC's right under the settlement agreement to "100 acres" of non-wetland has its origin in the "Comprehensive Wetland Management Plan" (CWMP) that the District had adopted a year prior for a defined area draining to ACD 53-62, including the MSCC parcel, referred to as the "Village Meadows." The CWMP was a "comprehensive wetland protection and management plan" under WCA (Minn. Rules 8420.0830). Under this WCA provision, a WCA-implementing unit of government, on the basis of a plan, may specify wetland impact/replacement rules for a defined area that differ from standard WCA rules. The Board adopted the CWMP in November 2003, and its implementing rule ("Rule M") in January 2004.

The CWMP was an attempt to resolve long-standing conflict surrounding repair of ACD 53-62: landowner demands for improved drainage; disagreement over repair depth; constraints on system function, even if well maintained; and wetland impact replacement costs associated with repair.

The CWMP organized the Village Meadows area into a development footprint on each parcel, and a large, contiguous Wetland Preservation Area (WPA) lying across the several parcels. Landowners would be permitted to fill wetland within identified development footprints. They would be required to replace impacts to certain wetlands (Types 3, 4), which they would do within the WPA. But they would be exempted from replacing impacts to other wetlands (Types 1, 2, 6), on the reasoning that the CWMP was an alternative to ACD 53-62 repair, and the latter wetland types would fall under the WCA drainage exemption.

The wetland resource benefit of establishing the WPA would justify application of the drainage exemption while avoiding the actual repair action. Over time, the WPA would provide for regional stormwater flow, and portions of ACD 53-62 within developing areas would be abandoned. The intended outcome of the CWMP was economic value for landowners, creation and protection of a higher-valued ecological resource, and avoided drainage system repair and maintenance costs.

The "100 acres" in the settlement agreement is the portion of the 135-acre MSCC site that the District, in the CWMP map, allocated as the MSCC development footprint.

CWMP Implementation Frustrated

The District was not able to implement the CWMP in the manner envisioned, due to the unwillingness of the U.S. Army Corps of Engineers to conform its own federal wetland ("Section 404") review to the CWMP framework.

The District pressed the USACE to collaborate, but by the later part of 2005, the USACE had evidenced conclusively that it was unwilling or unable to do so. Without a parallel federal framework for approval, including the exemption for filling of Type 1, 2 and 6 wetlands, it would be fruitless for a landowner to press forward a development plan that aggregated site wetlands pursuant to the CWMP.

Also, the CWMP rested on the expectation of a development surge. The initiative envisioned a period of active development within the Village Meadows area, during which the WPA would take form from



MEMORANDUM

Rice Creek Watershed District

easement dedications of multiple contiguous landowners, and ACD 53-62 would come off-line step by step. The surge did not immediately materialize. Then, the 2008 housing market crash definitively altered the development environment for several years. By the time development activity recommenced, the landowner interest in implementing the CWMP plan had dissipated and the District had been, for several years, engaged in the conventional maintenance of ACD 53-62. Since the signing of the settlement agreement, the District has repaired all elements of ACD 53-62 that may provide beneficial drainage of the MSCC parcel.

Settlement Agreement Terms

The following are notable terms of the settlement agreement:

- The District's commitment concerns only what is within its control: how it applies WCA and its own wetland rule. The agreement specifically states that the District is not responsible for wetland impact replacement that the USACE requires under Section 404 permitting.
- The commitment is for 100 acres of contiguous non-wetland. The agreement specifically states that the District does not guarantee the buildability of those 100 acres. For example, use of the full 100-acre footprint may be constrained by the City of Blaine or other land use authority (e.g., floodplain restrictions), or certain non-wetland soils may not be suited for development.
- The agreement states that the parcel owner may rely on the wetland delineation prepared for the CWMP and will not need to submit a new one. However, the prior delineation is now some 18 years old, whereas WCA explicitly limits a delineation's validity to five years. The agreement cannot override state law, and so the landowner will need to supply a new delineation.

Staff Recommendation

Implementing the Settlement

The District administrator, with the concurrence of the District engineer and counsel, recommends that the District implement the settlement agreement as follows:

- Staff will require a current wetland delineation with a development application.
- If the MSCC parcel owner wishes to proceed under the agreement, staff will support the preparation of a development plan consistent with the CWMP. Using the current wetland delineation and other site-level data, and in accordance with the CWMP, the property owner will define up to a 100-acre footprint of non-wetland on the southern part of the parcel, and a minimum of 35 acres of WPA on the northern part.
 - The owner will apply to the USACE for Section 404 review.



MEMORANDUM

Rice Creek Watershed District

- The District will review the application under WCA and its wetland rule (Rule F). If this review identifies wetland impact replacement beyond what the USACE or any other regulatory approval requires, the District (and the City of Blaine) would be responsible to supply this additional replacement.
- If the owner of the MSCC parcel elects not to apply to the USACE for review of a development proposal conforming to the CWMP, it may prepare and proceed to USACE and District review with any other development plan of its choosing. In this event, the owner would not be proceeding under the settlement framework and so would be responsible for all wetland credit replacement associated with the development.
- If the District ultimately is obligated to provide replacement credit, it should be noted that under its rules, the District has obtained, and in the MSCC case would obtain, easement rights within the WPA that would allow it to move earth and manage hydrology. Accordingly, the District could undertake to create the required credits through its actions within the WPA.
- The District will continue to maintain ACD 53-62. The District engineer anticipates that the MSCC site development could require realignment of ACD 53-62 Branch 5 at the north end of the property to accommodate a turn lane along 109th Ave., but that no other modifications to the ACD 53-62 system would be required.

Finally, it should be noted that the circumstances under which development now would come forward may lie outside the range of assumptions at the time the settlement was signed. For example, the settlement was drafted in expectation that the MSCC property would develop as a part of broad CWMP implementation; instead, CWMP implementation has been partial at best, and the District has proceeded with a full repair of ACD 53-62. Counsel has not reviewed whether these considerations may legally modify the District's settlement obligations, but can do so if at any point the Board finds it appropriate.

Request for Board Consensus

Staff are seeking Board discussion and consensus on the intended implementation of the settlement.

Attachment

Metro Shooting Center Corporation vs. Rice Creek Watershed District, Anoka County, Department of Transportation of the State of Minnesota, and City of Blaine-Settlement Agreement and Order dated March 31, 2005

STATE OF MINNESOTA

FILED
Jane F Morrow
Court Administration

COUNTY OF ANOKA

DISTRICT COURT

MAR 31 2005

TENTH JUDICIAL DISTRICT
CASE TYPE: OTHER CIVIL

Metro Shooting Center
Corporation,

Anoka County, MN

Deputy
BEVERLY BOYER

Court File No. C5-99-6322
Court File No. C9-02-2642

Plaintiff,

vs.

Rice Creek Watershed District,
Anoka County, Department of
Transportation of the State
of Minnesota, and
City of Blaine,

Defendants,

And

City of Circle Pines,

Intervenor.

SETTLEMENT AGREEMENT AND ORDER

THIS SETTLEMENT AGREEMENT AND ORDER is entered into by and between Plaintiff Metro Shooting Center Corporation ("Plaintiff" or "Metro") and Defendants Rice Creek Watershed District, Department of Transportation of the State of Minnesota ("Mn/DOT"), County of Anoka and City of Blaine (collectively "Defendants") and Intervenor City of Circle Pines.

RECITALS

WHEREAS, Plaintiff Metro is the owner of real property consisting of approximately 137 acres located in the City of Blaine, Minnesota and legally described on attached Exhibit A (the "Property").

WHEREAS, Plaintiff's Property is benefited by Anoka County Ditch 53-62 and has been assessed for the costs of constructing and maintaining Anoka County Ditch 53-62, and therefore Plaintiff has certain rights with respect to Anoka County Ditch 53-62 under Chapter 103E of the Minnesota Statutes.

WHEREAS, Plaintiff commenced a lawsuit entitled Metro Shooting Corporation v. Rice Creek Watershed District, Anoka County, Department of Transportation of the State of Minnesota, and City of Blaine, Court File No. C9-02-2642, in Anoka County District Court, in which the City of Circle Pines has intervened alleging that, among other things, the Rice Creek Watershed District had failed to properly maintain Anoka County Ditch 53-62 and had consequently damaged Plaintiff due to flooding of Plaintiff's Property such that it was not usable; and seeking monetary damages, a declaratory judgment that Plaintiff possesses a recognizable right to have Anoka County Ditch 53-62 maintained at its originally constructed elevation and free from obstruction and a writ of mandamus directing Defendants to lower and maintain Anoka County Ditch 53-62, including public roadway culverts, to the originally constructed elevation and free of obstruction. Shareholders of Plaintiff also commenced a lawsuit in Anoka County District Court entitled Loren Hentges and Frances Hentges v. Rice Creek Watershed District, et al., Court File No. C5-99-6322, which contained similar allegations.

By Order filed June 27, 2002, Plaintiff Metro was substituted for Loren Hentges and Frances Hentges in Court File No. C5-99-6322, and this action was consolidated with Court File No. C9-02-2642.

WHEREAS, the Rice Creek Watershed District has adopted a Comprehensive Wetland Management Plan (the "CWMP") in the City of Blaine regarding Anoka County Ditch 53-62. Minnesota Statutes § 103G.2243 requires that the CWMP be implemented through adoption of a rule. Therefore, the Rice Creek Watershed District has adopted Rule M, a rule implementing the CWMP. In accordance with Minnesota Statutes Chap. 103D, the Minnesota Board of Water and Soil Resources ("BSWR") has approved the CWMP and corresponding Rule M. Both the CWMP and Rule M are presently, as of the date of this Settlement Agreement, in full force and effect.

WHEREAS, based upon the hydrologic models, soils information, monitoring data and inspection of the Metro Property, including a wetland delineation and a site determination of the existence and location of all ditches previously performed on the Property, the Rice Creek Watershed District has determined in accordance with Rule M that under the CWMP at elevation 891.46 feet mean sea level ("MSL") Metro is entitled to at least 100 acres of non-wetland protected land for potential development.

WHEREAS, the Rice Creek Watershed District and the other Defendants desire to make certain commitments consistent with Defendants' legal authority that are responsive to the claims of Plaintiff herein, as a part of the settlement of this litigation.

NOW, THEREFORE, for good and valuable consideration, including the foregoing Recitals and the mutual covenants, terms and conditions set forth below, the parties agree as follows:

This Settlement Agreement, upon approval of the Court in the above-captioned litigation, shall be entered as an Order of the Court in lieu of any other order, verdict, or judgment in this litigation.

1. Within thirty (30) days of the Court's dismissal with prejudice of Plaintiff's claims in this action, Rice Creek Watershed District shall pay Plaintiff the sum of Two Hundred Seventeen Thousand, Five Hundred Dollars (\$217,500), the City of Blaine shall pay Plaintiff the sum of Seventy-Five Thousand Dollars (\$75,000), Mn/DOT shall pay Plaintiff the sum of Sixty-Five Thousand Dollars (\$65,000), the County of Anoka shall pay Plaintiff the sum of Forty-Five Thousand Dollars (\$45,000), and the City of Circle Pines shall pay Plaintiff the sum of Thirty-Five Thousand Dollars (\$35,000).

2. Under this Agreement and under the Rice Creek Watershed District's Rule M and the CWMP, Plaintiff and the Property shall be entitled to a minimum of one hundred (100) consolidated, contiguous, non-wetland acres suitable for development purposes, subject to permit and approval processes for particular projects as described in Paragraph 9, below. Any future change in the Rice Creek Watershed District's Rule M and the CWMP or the interpretation or application thereof shall not reduce this entitlement of Plaintiff and the Property. Any future site

plan for a specific development would have to be reviewed through the Rice Creek Watershed District's normal process and meet the specific criteria of Rule M. This Agreement does not guarantee developability of these acres which could require soil corrections, filling and other necessary measures to utilize the Property for ultimate development. This Agreement deals solely with wetland issues within the authority of the Rice Creek Watershed District. It is agreed that the wetland delineation and the site determination of the existence and location of all ditches has previously been performed on the Property by the Plaintiff, its successors and assigns, and no further wetland delineation nor ditch verification on the Property shall be necessary for any development of or on the Property that complies with the terms and conditions of this Agreement.

3. With respect to the designation or classification of wetlands on the Property, this Agreement and the CWMP constitute the necessary approval, permit and consent from the Rice Creek Watershed District, and from each other Defendant to the extent that such Defendant's approval, permit or consent is required for such designation or classification, of a minimum of one hundred (100) consolidated, contiguous, non-wetland acres suitable for development purposes under Rule M of the Rice Creek Watershed District, subject to permit and approval processes for particular projects as described in Paragraph 9, below. The Rice Creek Watershed District represents to Plaintiff that the Rice Creek Watershed District has asked the U.S. Corps of Engineers for a general permit for the area covered by the CWMP, including the Property and that such general permit would eliminate any involvement of the U.S. Corps of Engineers in the Property and its development if such Property and any development thereof comply with the

CWMP. The Rice Creek Watershed District shall use its best efforts to obtain such general permit from the U.S. Corps of Engineers.

4. In consideration of the payment and settlement stipulations called for herein, Plaintiff agrees that the ditch profile of Ditch 53-62 is and shall be at an elevation of 891.46 feet MSL. Plaintiff and its shareholders, successors and assigns completely release and forever discharge Defendants and Intervenor City of Circle Pines and their insurers, agents, servants, managers, successors, heirs, executors and administrators, from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of services, expenses and compensation whatsoever, including court costs, legal expenses, engineering and other consultant or expert fees and attorney's fees that Plaintiff may now or hereafter have on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen injuries suffered or sustained by Plaintiff, including but not limited to those set forth in the complaints in the above-described actions, which in any way relate to the past or present design, construction, hydrologic capacity, surface water profile, backwater effects, elevation, maintenance, or condition of (a) Anoka County Ditch 53-62, including all structural and other components within the system that control flow, support road crossings or secure other hydraulics or stability of the ditch, (b) the weir alongside Ditch 53-62 near the inlet of Golden Lake owned by the City of Circle Pines, or (c) the culverts in Ditch 53-62 owned by County of Anoka (under Lexington Avenue), the City of Blaine (under Pheasant Ridge Drive) and Mn/DOT (under I-35W). This release and discharge does not address future obligations with respect to the facilities listed under subsections (a) through (c), above, such as future maintenance, except that Plaintiff, its shareholders, successors and assigns, by this release, waive any right to challenge in the future the Ditch profile of 891.46

feet MSL. The release of claims and agreements of Plaintiff in this Agreement shall run with the Property and be binding upon the successors and assigns of Plaintiff and subsequent owners of the Property.

5. Notwithstanding Paragraph 4 above, Plaintiff retains the continuing right to the hydrologic capacity corresponding to the 891.46 feet MSL profile, and to the enforcement of this Agreement. The Rice Creek Watershed District agrees that it has the obligation to defend on behalf of itself and Plaintiff against any claims, challenges, actions, lawsuits or appeals that challenge the CWMP, corresponding rules, or the terms and conditions of this Agreement, provided Plaintiff has complied with the terms and conditions of this Agreement, Rule M and the CWMP. The Rice Creek Watershed District agrees that under Rule M and this Agreement, Plaintiff is entitled to a minimum of one hundred (100) non-wetland acres; and that any future change in the Rice Creek Watershed District's Rule M and the CWMP or the interpretation or application thereof shall not reduce this entitlement of Plaintiff and the Property. In the event that Plaintiff receives fewer than 100 non-wetland acres under the CWMP, the Rice Creek Watershed District will provide for any additional replacement acres required by the Wetland Conservation Act and Rule M as the result of wetland impacts on Plaintiff's Property to meet this minimum. To assist the Rice Creek Watershed District in providing such replacement acres (also known as wetland "credits"), the City of Blaine agrees to contribute a maximum of 6.7 replacement acres to the Rice Creek Watershed District to assist the Rice Creek Watershed District to fulfill any obligations under this Agreement to provide this Plaintiff and any other claimants with the requisite non-wetland acres as long as at least 6.7 replacement acres have been generated on land owned by the City of Blaine within the CWMP as of the date of this

Agreement. The City of Blaine will not require the Rice Creek Watershed District to remunerate it for the contribution of these replacement acres. The City of Blaine will not, however, incur additional cost in order to generate, make available, or otherwise provide the replacement acres. The City of Blaine is not obligated to contribute replacement acres or other consideration if these circumstances are not met, and the Rice Creek Watershed District remains responsible for remedying any non-wetland shortfall under this Agreement. By agreeing to contribute up to 6.7 replacement acres to the Rice Creek Watershed District, the City of Blaine is not relieving the Rice Creek Watershed District of any obligations to Plaintiff under this Agreement, nor is the City of Blaine creating an independent obligation to Plaintiff beyond the express terms of this Settlement Agreement. The specific terms governing the City of Blaine's contribution of credits to the Rice Creek Watershed District are set forth in a separate agreement between the City of Blaine and the Rice Creek Watershed District, entered into contemporaneously with the execution of this Settlement Agreement with Plaintiff. The responsibility to provide for replacement acres to meet the 100-acre requirement is limited by the condition that Plaintiff or its successors or assigns take no action on the Property that would cause a change in the upland/wetland characteristics of the Property other than those actions permitted under the CWMP and Rule M, such that if Plaintiff's actions cause the acres actually required for replacement to be greater than they otherwise would be without such actions by Plaintiff, the replacement obligation of the Rice Creek Watershed District shall not extend to cover these additional acres.

6. The rights granted to Plaintiff and the Property in this Agreement shall be vested property rights and contract rights, which rights shall be irrevocable and shall run with the land

and be available to and enforceable by Plaintiff and all successors and assigns of Plaintiff and the subsequent owners of the Property. The parties hereto agree that this Agreement and the CWMP shall place no time deadlines on the development of the Property. It is understood by all parties that this Agreement is consistent with the CWMP and Rule M as adopted by the Rice Creek Watershed District and approved by BWSR.

7. Plaintiff shall be entitled to own the land in fee; however, Plaintiff shall be required to dedicate the easements and covenants set forth in Rule M which requires easements to the Rice Creek Watershed District for buffer and for hydrologic management.

8. Plaintiff may seek to develop in accordance with Rule M, and subject to permit and approval processes for particular projects as described in Paragraph 9, below, any further acres it can show are properly upland acres either by a wetland delineation or otherwise, including additional information about preexisting private ditches or soil types or conditions that would affect positively the drainage benefits of Anoka County Ditch 53-62, or as a result of any lowering of Anoka County Ditch 53-62 below 891.46 feet MSL or any other improvement of said ditch in the future.

9. This Agreement does not exempt Plaintiff from obtaining permits and approvals in accordance with procedures required by law for specific development projects, and to comply with all land use designations applicable to the Property, except for those permits and approvals expressly enumerated in Paragraph 3 of this Agreement. Nothing in this Agreement shall limit or impair Plaintiff's ability to seek legal or other recourse from improper denials of such permits

or approvals, as provided by law, nor limit or impair Defendants' lawful exercise of their authority in acting on any development proposal submitted by Plaintiff or its successors.

10. Plaintiff hereby represents and warrants to Defendants and Intervenor City of Circle Pines that it is the lawful owner of the Property in fee title and that it has full authority to make the agreements and covenants herein contained and is the only entity or party entitled to the compensation that is paid herein. Plaintiff further represents that there are no: (i) outstanding mortgages or other liens against the Property or (ii) claims, liens or interests by Plaintiff's attorney or any other attorneys or any other experts such as engineers, soil scientists or appraisers who are entitled to part of the settlement proceeds herein. Plaintiff agrees to indemnify and hold harmless all Defendants and Intervenor City of Circle Pines from all costs arising from a breach of the foregoing representations. The Rice Creek Watershed District does not comment or make commitments for other Defendants or governmental agencies who are or are not a party to this Agreement.

11. Notwithstanding any language to the contrary in this Agreement, it is hereby stipulated by and between the parties to this Agreement as follows:

- (a) The only portions of this Agreement that apply to Defendants Mn/DOT, County of Anoka, City of Blaine and Intervenor City of Circle Pines shall be Paragraphs 1, 4, 10, 12-17, and this Paragraph 11, and for the City of Blaine, Paragraph 5. Notwithstanding the foregoing, Mn/DOT, County of Anoka, City of Blaine and the City of Circle Pines shall not be responsible for attorney's fees as referenced

in Paragraph 12. Mn/DOT, County of Anoka, City of Blaine and the City of Circle Pines do not make any of the representations contained in the Recitals in the beginning of this Agreement.

- (b) The City of Blaine, County of Anoka and the City of Circle Pines agree not to take any position contrary to the defense and implementation of the CWMP, and the corresponding rules, and the terms and conditions of this Agreement. Mn/DOT agrees that there is adequate consideration for this Agreement and that those portions of this Agreement applicable to Mn/DOT are valid and binding.

- (c) Plaintiff acknowledges receipt of that certain August 2004 Settlement Agreement between the Rice Creek Watershed District and Mn/DOT regarding the construction by Mn/DOT of the culvert at the intersection of Ditch 53-62 with I-35W; and Plaintiff, its shareholders, successors and assigns waives any objection it might have to such Settlement Agreement and any claims for damages or other relief arising from the elevation or design of such highway culvert, including claims concerning the surface water profile, hydrologic capacity, or backwater effects of the culvert, so long as the culvert is constructed in accordance with such Settlement Agreement. This subsection does not address future obligations with respect to the culvert, such as future maintenance, except that all parties agree that Mn/DOT shall not be responsible for any replacement or mitigation of any wetlands affected or lost as a result of lowering the culvert.

12. Each party hereto hereby represents and warrants to the other parties that such party, acting through its undersigned representative, has the full authority to enter into this Agreement. Each party further acknowledges and understands that this Agreement will be recorded in the appropriate land records of Anoka County with respect to the Property and that it shall cooperate with the recording of this Agreement and execute any other necessary documents reasonably necessary to effectuate the recording. If a party fails to cooperate, any other party shall be entitled to a Court order compelling such non-cooperating party's cooperation, or directly ordering recording, in which event the non-cooperating party shall reimburse such other party for such other party's reasonable attorney's fees and costs incurred in such action.

13. Plaintiff expressly agrees that Defendants, Intervenor City of Circle Pines, and the League of Minnesota Cities Insurance Trust shall have no responsibility or liability for payment of income taxes or other tax related obligations with respect to the settlement amount paid to Plaintiff. Plaintiff agrees that it is solely responsible for payment of any and all tax obligations and any and all liability created under the federal and state tax laws with respect to any such payments. Plaintiff further agrees to indemnify Defendants, Intervenor City of Circle Pines and the League of Minnesota Cities Insurance Trust and hold them harmless from any and all such liability or obligations, if any, and any penalties assessed thereon. Defendants, Intervenor City of Circle Pines and the League of Minnesota Cities Insurance Trust make no warranty concerning the treatment of any sums paid, and Plaintiff has not relied on any such warranty.

14. Each party states that it has carefully read this Settlement Agreement and Order in its entirety and has conferred with its attorney and knows and understands the contents of this

Settlement Agreement and Order, and acknowledges that this Settlement Agreement and Order has been negotiated by the parties through their respective counsel.

15. This Settlement Agreement and Order contains the entire agreement between the parties pertaining to the matters set forth herein and shall be binding upon and inure to the benefit of the heirs, successors and assigns of each.

16. This Settlement Agreement and Order shall be construed and interpreted in accordance with the laws of the State of Minnesota.

17. This Settlement Agreement may be executed in multiple counterparts each of which shall be deemed an original and all of which shall constitute one agreement. This Settlement Agreement shall be effective when signed by representatives of all parties hereto and approved by the Court.

METRO SHOOTING CENTER CORPORATION

Dated: 2-27-05

By: Richard M. Willis

Its: Vice President

RICE CREEK WATERSHED DISTRICT

Dated: _____

By: _____

Andrew J. Cardinal, Sr.
Manager

Settlement Agreement and Order, and acknowledges that this Settlement Agreement and Order has been negotiated by the parties through their respective counsel.

15. This Settlement Agreement and Order contains the entire agreement between the parties pertaining to the matters set forth herein and shall be binding upon and inure to the benefit of the heirs, successors and assigns of each.

16. This Settlement Agreement and Order shall be construed and interpreted in accordance with the laws of the State of Minnesota.

17. This Settlement Agreement may be executed in multiple counterparts each of which shall be deemed an original and all of which shall constitute one agreement. This Settlement Agreement shall be effective when signed by representatives of all parties hereto and approved by the Court.

METRO SHOOTING CENTER CORPORATION


Dated: _____

By: _____

Its: _____

RICE CREEK WATERSHED DISTRICT

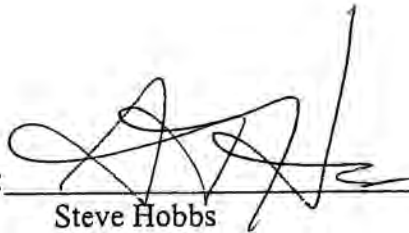
Dated: 2-22-05

By: 
Andrew J. Cardinal, Sr.
Manager

Dated:

7/22/03

By:



Steve Hobbs
District Administrator

COUNTY OF ANOKA

Dated: _____

By: _____

Chairman of Anoka County Board of Commissioners

Attested to:

Dated: _____

By: _____

John "Jay" McLinden, County Administrator

DEPARTMENT OF TRANSPORTATION
OF THE STATE OF MINNESOTA

Dated: _____

By: _____

Douglas H. Differt
Deputy Commissioner/Chief Engineer

CITY OF BLAINE

Dated: _____

By: _____

Tom Ryan, Mayor

Attested to:

Dated: _____

By: _____

Ronald R. Wood, City Manager

Dated: _____

By: _____
Steve Hobbs
District Administrator

COUNTY OF ANOKA

Dated: 2-15-05

By: Margaret Longfellow
Chairman of Anoka County Board of Commissioners

Attested to:

Dated: 2-15-05

By: John Jay M McLinden
John "Jay" McLinden, County Administrator

DEPARTMENT OF TRANSPORTATION
OF THE STATE OF MINNESOTA

Dated: _____

By: _____
Douglas H. Differt
Deputy Commissioner/Chief Engineer

CITY OF BLAINE

Dated: _____

By: _____
Tom Ryan, Mayor

Attested to:

Dated: _____

By: _____
Ronald R. Wood, City Manager

Dated: _____

By: _____
Steve Hobbs
District Administrator

COUNTY OF ANOKA

Dated: _____

By: _____
Chairman of Anoka County Board of Commissioners

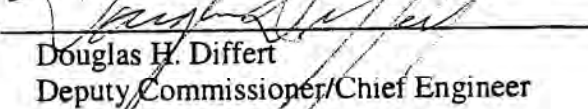
Attested to:

Dated: _____

By: _____
John "Jay" McLinden, County Administrator

DEPARTMENT OF TRANSPORTATION
OF THE STATE OF MINNESOTA

Dated: _____

By: 
Douglas H. Differt
Deputy Commissioner/Chief Engineer

CITY OF BLAINE

Dated: _____

By: _____
Tom Ryan, Mayor

Attested to:

Dated: _____

By: _____
Ronald R. Wood, City Manager

Dated: _____

By: _____

Steve Hobbs
District Administrator

COUNTY OF ANOKA

Dated: _____

By: _____

Chairman of Anoka County Board of Commissioners

Attested to:

Dated: _____

By: _____

John "Jay" McLinden, County Administrator

DEPARTMENT OF TRANSPORTATION
OF THE STATE OF MINNESOTA

Dated: _____

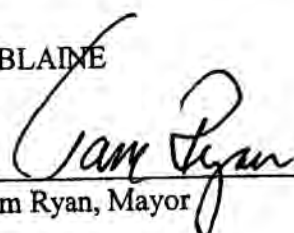
By: _____

Douglas H. Differt
Deputy Commissioner/Chief Engineer

CITY OF BLAINE

Dated: 2-10-05

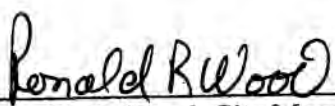
By: _____


Tom Ryan, Mayor

Attested to:

Dated: 2-10-05

By: _____


Ronald R. Wood, City Manager

CITY OF CIRCLE PINES

Dated: 2/8/05

By: Keith Perlich
Keith Perlich, Mayor

Attested to:

Dated: 2/8/05

By: James W. Keinath
James W. Keinath, Administrator

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 22nd day of February 2005 by Richard M. Wilder the Vice President of Metro Shooting Center Corporation, a Minnesota corporation, on behalf of the corporation.

Diana Lee Davis

Notary Public

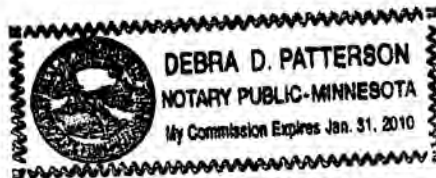


STATE OF MINNESOTA)
) ss
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this 2nd day of February, 2005 by Andrew J. Cardinal, Sr., Manager of Rice Creek Watershed District, a municipal corporation under the laws of Minnesota, on behalf of the District.



Notary Public

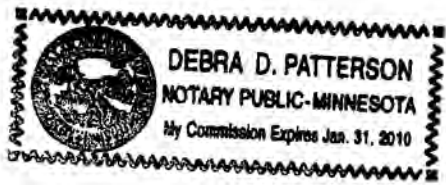


STATE OF MINNESOTA)
) ss
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this 2nd day of February, 2005 by Steve Hobbs the District Administrator of Rice Creek Watershed District, a municipal corporation under the laws of Minnesota, on behalf of the District.



Notary Public



STATE OF MINNESOTA)
) ss
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this 15th day of February, 2005 by Margaret Hanckel, Chair~~man~~ of Anoka County Board of Commissioners, and John "Jay" McLinden, Administrator of Anoka County, a municipal corporation under the laws of Minnesota, on behalf of the County.

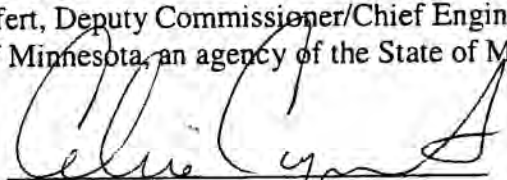


Notary Public

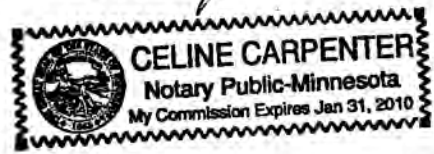


STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 23 day of February, 2005 by Douglas H. Differt, Deputy Commissioner/Chief Engineer of the Department of Transportation of the State of Minnesota, an agency of the State of Minnesota, on behalf of the Department.



Notary Public



STATE OF MINNESOTA)
) ss
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this 10th day of February, 2005 by Tom Ryan, the Mayor, and Ronald R. Wood, the City Manager of the City of Blaine, a municipal corporation under the laws of Minnesota, on behalf of the City.

 Jane M. Cross
Notary Public

STATE OF MINNESOTA)
) ss
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this 8th day of February, 2005 by Keith Perlich, the Mayor, and James W. Keinath, Administrator of the City of Circle Pines, a municipal corporation under the laws of Minnesota, on behalf of the City.



Constance L Duellman
Notary Public

ORDER

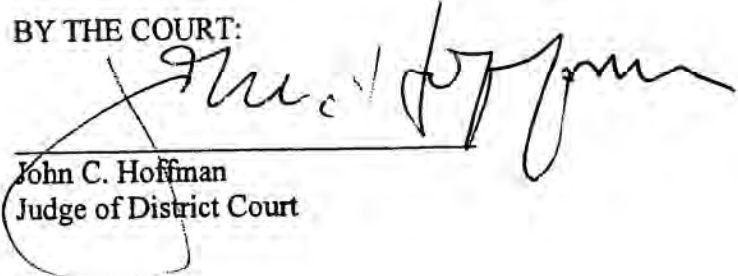
1. The terms and conditions set forth in the Settlement Agreement above are hereby adopted as the Order of the Court as if set forth fully herein.

2. All claims of Plaintiff Metro Shooting Center Corporation in Court File Nos. C5-99-6322 and C9-02-2642 are hereby dismissed with prejudice, without an award of costs to any party.

LET JUDGMENT BE ENTERED IMMEDIATELY with no stay of entry.

Dated: 3/1/05

BY THE COURT:



John C. Hoffman
Judge of District Court

EXHIBIT A

All of the Northwest Quarter, Section 23, Township 31, Range 23, Anoka County, Minnesota, except those parts described as follows:

Excepted Parcel 1:

Beginning at the southwesterly corner of the Northwest Quarter of the Northwest Quarter, thence northerly along the west line of said Northwest Quarter of the Northwest Quarter a distance of 1320.0 feet, thence easterly parallel to the south line of said Northwest Quarter of the Northwest Quarter a distance of 429.0 feet, thence southerly parallel to the west line of said Northwest Quarter of the Northwest Quarter a distance of 1320.0 feet, more or less, to the south line of said Northwest Quarter of the Northwest Quarter, thence west along the south line of said Northwest Quarter of the Northwest Quarter a distance of 429.0 feet, more or less, to the point of beginning; said excepted property containing approximately 13.0 acres.

Excepted Parcel 2:

That part of the Southwest Quarter of the Northwest Quarter, Section 23, Township 31, Range 23, described as follows: Beginning at a point on the west line of said Southwest Quarter of the Northwest Quarter 890.6 feet north of the southwest corner thereof, thence easterly parallel to the south line of said Southwest Quarter of the Northwest Quarter a distance of 507.3 feet, thence northerly parallel to the west line of said Southwest Quarter of the Northwest Quarter a distance of 429.4 feet to the north line of said Southwest Quarter of the Northwest Quarter, thence westerly along the north line of said Southwest Quarter of the Northwest Quarter a distance of 507.3 feet, more or less, to the west line of said Southwest Quarter of the Northwest Quarter, thence southerly along the west line of the Southwest Quarter of the Northwest Quarter to the point of beginning; containing 5 acres.

Excepted Parcel 3:

That part of the Southwest Quarter of the Northwest Quarter, Section 23, Township 31, Range 23, described as follows: Beginning at a point on the west line of said Southwest Quarter of the Northwest Quarter 455 feet north of the southwest corner thereof, thence easterly parallel to the south line of said Southwest Quarter a distance of 500 feet, thence northerly parallel to the west line of said Southwest Quarter a distance of 435.6 feet, thence westerly parallel to the south line of said Southwest Quarter a distance of 500 feet, more or less, to the west line of said Southwest Quarter, thence southerly to the point of beginning; containing 5 acres.

10:00 District Funds – 4M Fund Investment & Release
Budget Planning Schedule

MEMORANDUM

Rice Creek Watershed District



Date: June 5, 2023
To: RCWD Board of Managers
From: Nick Tomczik, Administrator
Subject: District Funds – 4M Fund Investment

Introduction

The District is considering options for investing its funds.

Background

The District is considering long-term investment of its funds. The District Managers met in 2022 with Corey Boyer of PMA Financial Network representing the 4M Fund, the District official depository, to discuss available investment options. Since that time the District has adopted a revised Accounting, Funds Management & Investment Manual in March 2023 and considered cash flow needs to meet anticipated demands. The cash flow needs, as anticipated, are below cash reserves due to the District's past and continued project approach to save in advance versus borrowing for projects. The District created its Project Anticipation Fund (fund 99) in its budget to better identify the designation of these project anticipation funds and be good stewards of the public funds.

Development of resource project opportunities and plans, such as South Hansen Park, continue. The funds designated to the Project Anticipation Fund are not projected to be drawn upon in the immediate foreseeable budgets or all at once. The current Project Anticipation Fund balance is \$4.5 million. These funds or a portion there of may be invested with the intent to secure better rates of return, adhere to the District's Accounting, Funds Management and Investment Manual policy, and notably Minnesota Statutes chapter 118A Deposit and Investment of Local Public funds. The approach to sustain the security of the funds and sufficient liquidity under District plans.

The District's Treasurer Manager Weinandt and staff met with Mr. Boyer at its quarterly treasurer's meeting in May to discuss investment matters. The recommendation to the Board for consensus is to invest up to \$4 million dollars of the Project Anticipation Fund, and potentially more funds based on cashflow, into equal divisions of fixed rate certificates of deposit in ladder fashion for 1-, 2-, 3-, and 4-year terms. Investing in the current timeframe places future maturity dates just ahead of District budget planning in subsequent years.

Mr. Boyer will attend the workshop to present updated information and answer questions. Please see attached past investment materials on District cash flow, cash balances, and U.S. Treasury yields as well more recent 4M Fund CD Quick Quote.

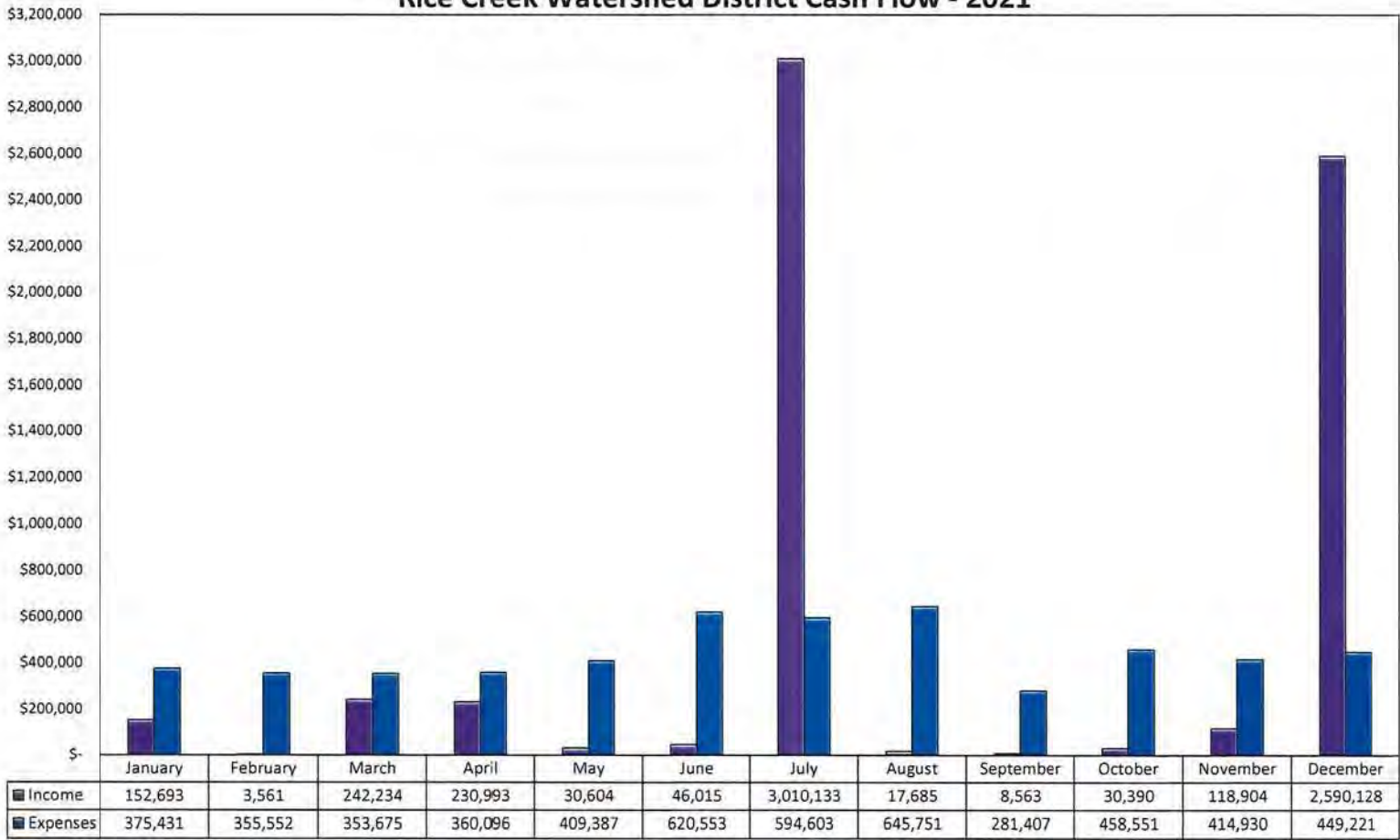
Request for Board Consensus

Staff are seeking Board discussion and consensus on the intended funds investment.

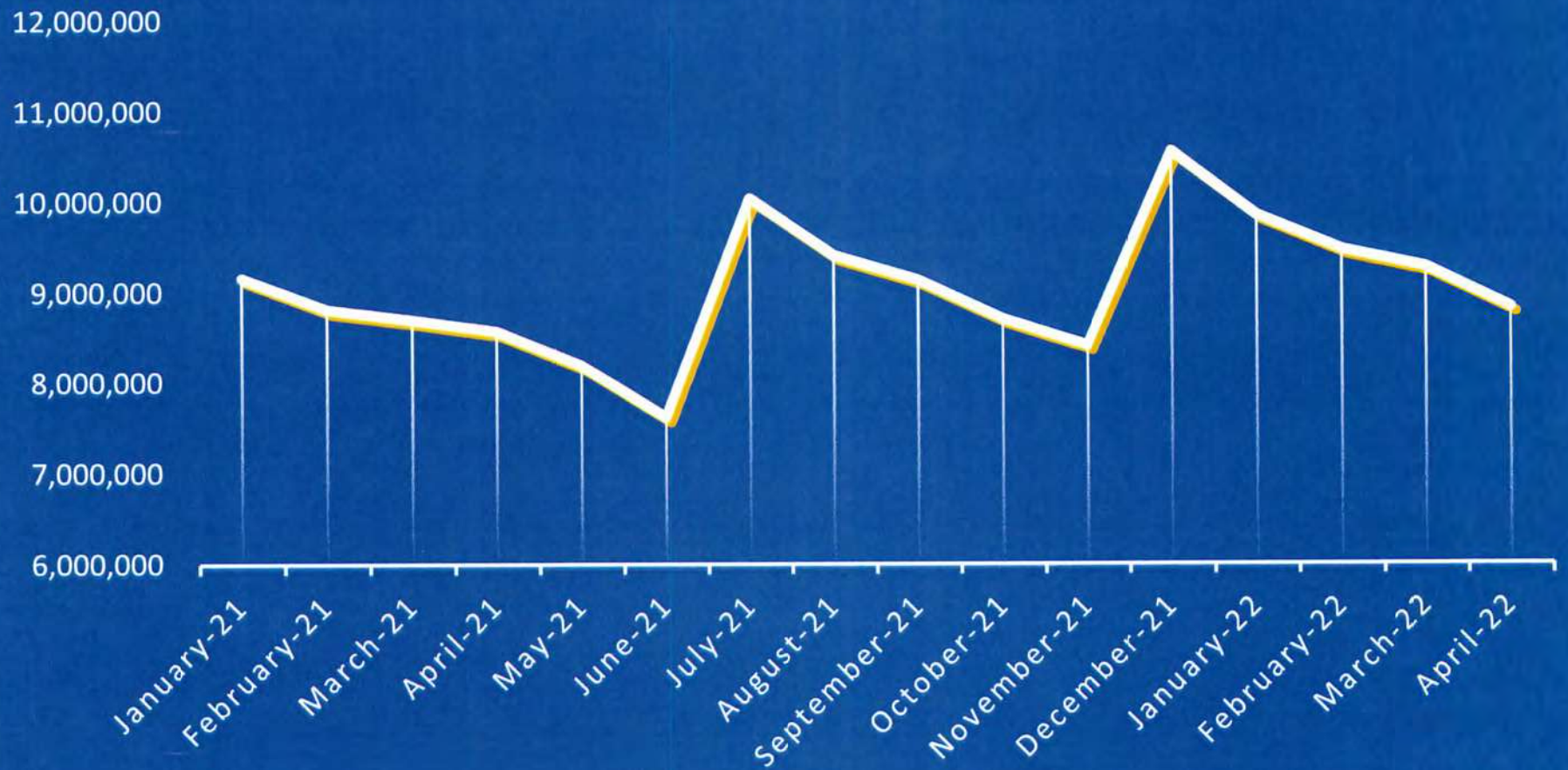
Attachment

Past Investment Materials
4M Fund CD Quick Quote

Rice Creek Watershed District Cash Flow - 2021



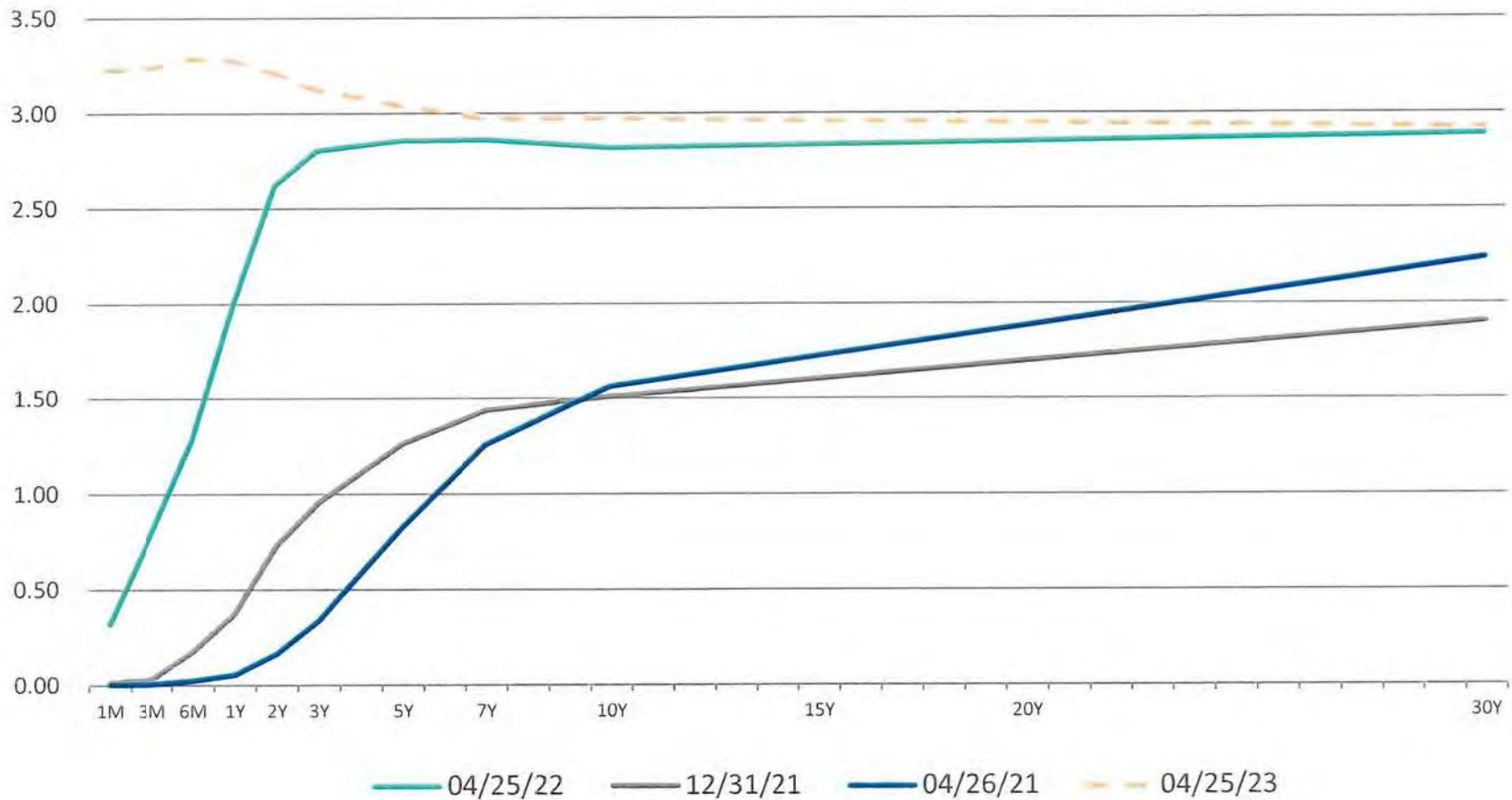
ESTIMATED CASH BALANCES - RICE CREEK WATERSHED DISTRICT





Market Volatility

U.S. Treasury Yield Curve



Sources: Bloomberg, as of 04/25/22



CD Quick Quote

05/23/2023

PMA Financial Network
 2135 CityGate Lane
 7th Floor
 Naperville, IL 60563
 Phone: 630-657-6400
 Fax: 630-718-8701

Rice Creek Watershed District
 4325 Pheasant Ridge Dr, #611
 Blaine, MN 55449

PMA Client #: 35465 - 101
 Phone: (763) 398-3070
 Fax: (763) 398-3088

DTC - 732 Days, Maturing on 05/27/2025

Bank	Backing	FDIC #	City, State	Settle Date	Invested	Net Rate
Western Alliance Bank	DTC	57512	Phoenix, AZ	05/26/2023	\$250,000.00	4.856
DTC Totals & Weighted Avg for Term:					\$250,000.00	4.856

CD - 731 Days, Maturing on 05/23/2025

Bank	Backing	FDIC #	City, State	Invested	Net Interest	Total	Net Rate
Cornerstone Bank	FDIC	5496	York, NE	\$226,250.00	\$23,390.02	\$249,640.02	5.060
EMPOWER	FDIC	3025	Syracuse, NY	\$227,250.00	\$22,392.03	\$249,642.03	4.920
Baxter Credit Union	FDIC	68187	Vernon Hills, IL	\$227,500.00	\$22,119.12	\$249,619.12	4.770
Totals & Weighted Avg for Term:				\$681,000.00	\$67,901.17	\$748,901.17	4.916

CD - 549 Days, Maturing on 11/22/2024

Bank	Backing	FDIC #	City, State	Invested	Net Interest	Total	Net Rate
First Priority Bank	FDIC	4185	Pryor, OK	\$231,650.00	\$18,017.91	\$249,667.91	5.137
Totals & Weighted Avg for Term:				\$231,650.00	\$18,017.91	\$249,667.91	5.137

DTC - 547 Days, Maturing on 11/29/2024

Bank	Backing	FDIC #	City, State	Settle Date	Invested	Net Rate
Discover Bank	DTC	5649	Greenwood, DE	06/01/2023	\$250,000.00	4.905
DTC Totals & Weighted Avg for Term:					\$250,000.00	4.905

CD - 366 Days, Maturing on 05/23/2024

Bank	Backing	FDIC #	City, State	Invested	Net Interest	Total	Net Rate
ServisFirst Bank	FDIC	57993	Tampa, FL	\$237,450.00	\$12,442.81	\$249,892.81	5.226
ARTESIA	FDIC	62783	Artesia, NM	\$237,700.00	\$12,060.57	\$249,760.57	5.060
Totals & Weighted Avg for Term:				\$475,150.00	\$24,503.38	\$499,653.38	5.143

The information contained herein is based on sources, which we believe to be reliable, but is not guaranteed by us and is not considered all-inclusive. It is not to be construed as an offer, or the solicitation of an offer, to sell or buy securities herein mentioned

MEMORANDUM
Rice Creek Watershed District



Date: June 6, 2023
To: RCWD Board of Managers
From: Nick Tomczik, Administrator
Subject: 2024 Proposed Budget Schedule

June 12, 2023 – Review proposed schedule for 2024 budget planning

July 5 - Preliminary draft 2024 budget provided in workshop packet

July 10 & August 7 – Budget discussions at Board Workshop, possible separate budget workshop in between July and August workshops

August 8 (approximately) - Public notice for budget public hearing

August 23 – Budget and levy public hearing at regular Board Meeting

Late August /September 11 - (tentative) Special Board Workshop if needed to finalize budget and levy

September 13 – Certification of budget and levy

October – Certification of water management charges to counties

December 13 – Truth-in-Final at regular Board Meeting, certification of budget and levy

**Budget will also include any proposed and previously approved water management district (WMD) certification of changes to the counties

10:45 Centerville Lake Water Management District



MEMORANDUM Rice Creek Watershed District

Date: June 14, 2023
To: RCWD Board of Managers
From: Matt Kocian, Lake and Stream Program Manager
Subject: Centerville Lake Water Management District

Introduction

Seeking Board consensus to select a charge alternative and proceed with development of a Water Management District (WMD) for Centerville Lake. The purpose of the proposed WMD would be to fund an internal phosphorus load reduction project (e.g. aluminum sulfate, or “alum”).

Background

Centerville Lake has been experiencing severe and frequent blue-green algae blooms. The beach at the adjacent Rice Creek Chain of Lakes regional park (Anoka Co Parks) is regularly closed due to health concerns from blue-green algae. Residents frequently express concerns.

Recently completed diagnostic studies¹ suggest the internal phosphorus loading – specifically, sediment-phosphorus release – is a significant driver of algae blooms. Other potential phosphorus sources have been assessed, including backflow loading from Peltier Lake, common carp, and watershed runoff. Overall, these potential sources are minor compared to internal loading.

An alum treatment on Centerville Lake is estimated to cost between \$850,000 and \$1.3 million², depending on the selected dosing option. District staff, as directed by the Board at previous Board workshops, have engaged partners to develop funding sources. Both the City of Centerville and Anoka County have expressed optimism for funding partnerships. District staff are currently preparing for a Clean Water Fund grant application for a potential project (expected Aug 2023).



Centerville Lake, 2016

¹ *Internal Load Investigation for Centerville Lake*, Wenck Associates, 2019; *Centerville Lake Phosphorus Dynamics*, Houston Engineering, 2022

² *Alum Longevity in Centerville Lake*, Barr Engineering, 2023

MEMORANDUM

Rice Creek Watershed District



The Centerville Lake Association (CLA) formally requested help from the District to address the algae blooms. Specifically, they presented a letter requesting that the District develop a “special tax district”, with revenue to fund an internal load reduction project (i.e. alum). Members of the CLA attended a Board meeting on September 28, 2022. At that meeting, the Board directed District staff and engineer to begin development of a Water Management District for Centerville Lake, to address internal phosphorus loading. Subsequently, the District engineer and staff have developed funding alternatives for a Centerville Lake WMD. The recommended alternative (HEI memo, alternative 2b) is consistent with past District WMD’s for alum treatments – i.e. the Bald Eagle Lake WMD.

Staff Recommendation

To address algae blooms and internal phosphorus loading on Centerville Lake, Staff recommend proceeding with development of a Water Management District to help fund an alum (or similar) project.

Request for Board Consensus

Staff request Board consensus to proceed with a Watershed Management Plan amendment to add a Water Management District for Centerville Lake, following alternative 2b (HEI memo, June 6, 2023)

Attachments

HEI memo: Centerville Lake WMD Alternatives, June 6, 2023

Technical Memorandum

To: Matthew Kocian
Rice Creek Watershed District

From: Adam Nies, PE CFM

Through: Chris Otterness, PE

Subject: Centerville Lake WMD Alternatives

Date: June 6, 2023

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am duly Licensed Professional Engineer under the laws of the State of MN



6/6/2023

Adam N. Nies
Reg. No. 53358

Date

INTRODUCTION

Centerville Lake has experienced frequent and severe algae blooms in recent years. Studies have shown that internal phosphorus loading is driving this problem. This causes a reduction in water quality for parcels adjacent to the lake and members of the general public who utilize the lake for its many recreational opportunities. The Rice Creek Watershed District (RCWD) has been requested by the Centerville Lake Association to develop a Water Management District (WMD) to assist the financing of the internal phosphorus load reduction project.

The provision for collection of charges under MS 103D.729 gives a Watershed District, through the amendment of its plan or during an update to the WMP, the authority to establish one or more Water Management Districts (WMD) for the purpose of collecting revenues and paying the costs of projects initiated under sections 103B.231, 103D.601, 103D.605, 103D.611, or 103D.730. The establishment of a WMD requires the description of the methods used to determine the charges. This Technical Memorandum describes several potential methods for determining the Centerville Lake Water Management District and associated charges. It is to be used as a planning document to help guide the RCWD in determining its preferred method of establishing a WMD. The final determination of charges to the Centerville Lake WMD will depend on a number of different factors yet to be determined, including project budget, local governmental cost share, and state cost share.

CHARGE METHOD DESCRIPTION

Centerville Lake is located within Anoka County adjacent to (and west of) the City of Centerville. Approximately the north and east half of the lake's shoreline is residential development lots, while generally the south and west half of the lake's shoreline is public land and park land owned by Anoka County. Approximately 55%-60% of the riparian area and shoreline is County owned lands. Several alternatives were considered for development of the WMD. There are roughly 100 land parcels (with 75-80 unique property owners) within the riparian zone of Centerville Lake. Multiple homeowner associations (HOAs) provide lake access for multi-family residential properties. There are

approximately 400 residential parcels within the greater subwatershed of Centerville Lake, along with parcels owned by public entities such as schools, which contribute runoff, sediment, and phosphorus to Centerville Lake. However, there are very limited opportunities for additional stormwater retrofits in the Centerville subwatershed and given the small size of the watershed compared to the lake area, the riparian properties are assumed to have the most substantial impact on lake water quality and would derive the most benefit from the project. Consistent with the prior Bald Eagle Lake WMD, this analysis is focused strictly on WMD charge alternatives that are inclusive of riparian properties (and in some cases, properties with deeded lake access).

The total revenue goal for the internal phosphorus load reduction project has been preliminarily set at \$1,000,000, which is dependent on a number of factors including the method of load reduction selected. This charge is intended to be distributed annually spread out over a period of 10 years. There is potential that state grant funds (in particular, from the Clean Water Fund (CWF)) could be attained to offset the financial burden to parcels located within the WMD.

Two primary concepts have been developed for consideration; an impact based assessment and a benefits based assessment, further described herein.

Concept 1a – Impact Based Assessment, Areal

This concept represents an impact-based assessment that is proportional to the area from riparian parcels along Centerville Lake. These parcels number 96 parcels as displayed in **Figure 1**. There are 78 unique property owners adjacent to the lake. For the purposes of this concept, public lands (including park lands and road right-of-way) are exempt from the charge. Not assessing public parcels is consistent with Bald Eagle WMD. The distribution of charges for applicable parcels is determined based on lot size in acres. This concept assumes a proportional relationship between land area, nutrient loading, and project cost. However, it is important to note that in reality these relationships are very complex involving many other factors.

Concept 1b – Impact Based Assessment, Shoreline

The second concept considered is similar to concept 1a, except the charge determination is based on each parcel's length of shoreline. Again, public lands are not included in the charge assessment. This methodology recognizes a relationship between shoreline length and property value. However, such a methodology skews the charge heavily toward a smaller number of parcels having a greater shoreline length.

The impact-based assessments detailed within Concepts 1a and 1b have concerning challenges for implementation. Since the stressor of Centerville Lake is phosphorus, the assignment of total phosphorus contributions by parcel is challenging. Many factors other than land area and land use are contributors, and loading is from multiple sources, including outside of the watershed for Centerville Lake. Therefore, in this application, an impact-based assessment is inadvisable as equitably quantifying phosphorus loading to the lake by parcel is not feasible.

Concept 2a – Benefit Based Assessment, Flat Fee

This concept is intended to assign project cost to the riparian / recreational benefit received from reduced nutrient impacts. This concept is based on a basic fixed fee for each riparian property owner along the lake, along with those landowners who have deeded access. Individual landowners with multiple adjoining parcels will be charged only once, when only one residence exists on the lots as a collective. With 88 property owners with direct or deeded access to the lake, a fixed fee is likely the easiest policy to implement administratively, though it does not recognize a differing value/benefit for riparian owners versus those with deeded access. In this scenario all units of the GLT Properties LLC apartment complex are considered as one parcel.

Concept 2b – Benefit Based Assessment, Stepped Fee

This concept is similar to Concept 2a, except that non-riparian landowners with deeded access to the lake will receive half the charge as riparian landowners. This concept is nearly identical to the charge methodology used for the Bald Eagle Lake WMD. This alternative assumes that the GLT Properties LLC apartment complex will be charged the base riparian fee. However, a subvariant of this concept may include additional fees for this parcel based on the number of units with access to the lake.

Benefit-based assessments detailed within Concepts 2a and 2b also have their own challenges for implementation. Benefits do not end with riparian and deeded parcels, but extend to a wider array of community and public land. However, traditionally, RCWD's policy has been to not charge park land within the WMD. In addition, since roads and rights of way are typically not within a defined land parcel, assigning and collecting a charge in these areas is challenging and likely arbitrary. Rather than assign a benefit value to the public lands, we instead recommend financial partnership with the County and City on the project outside of the WMD charging mechanism.

CHARGE EVALUATION

The resulting WMD charges to be collected annually for concept 2a and 2b have been tabulated in **Table 1**. Annualized charges are based on a \$1,000,000 nominal project cost and a 10-year charge period, with no interest applied. We understand it is the project partners' intent to apply for grant dollars that would reduce the overall project cost and associated WMD charge and local match. **Table 1** indicates WMD costs assuming various levels of grant funding contribution ranging from 0%, 25%, 50%, and 75%. If successful, the most likely outcome of a grant application is 75% funding. After the grant dollars are applied, the remaining balance is split 50/50 between the WMD share and the Local Match (RCWD and other local government partners). These costs are for comparison purposes only. Total project cost and available outside funding for this effort have yet to be determined. Once a charge alternative has been selected and project costs and outside funding have been more precisely articulated, further detailed tabulation of individual parcel charges can be developed.

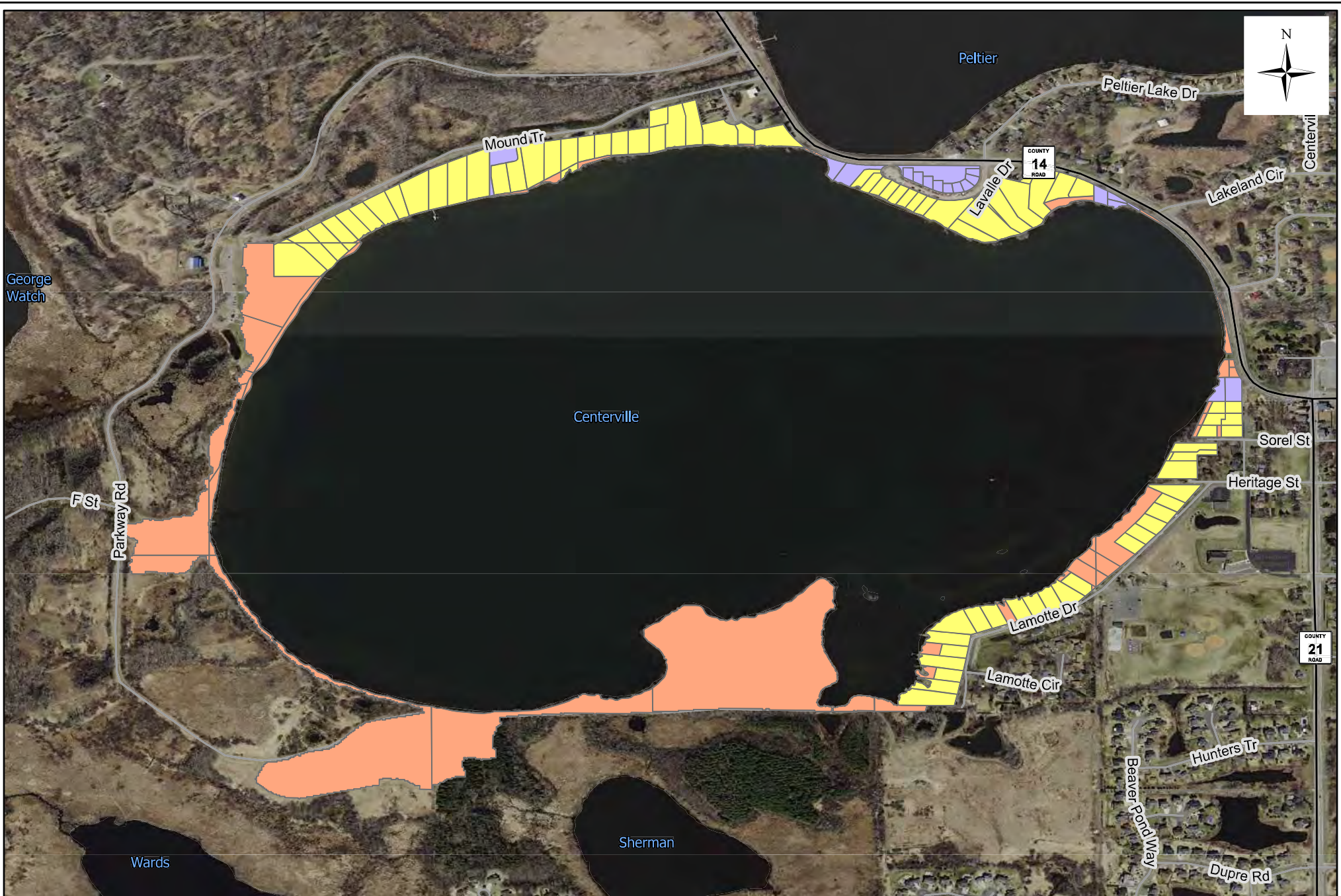
Other Considerations

Each of these concepts can be appended with the potential to add an annual contribution from local or state partners. Additionally, if the subwatershed residential parcels contribute either a small percentage (such as 10% annually) or a nominal fixed amount (such as \$50 annually) the three main concepts can be likewise appended. All of these alternatives have pros and cons that need to be considered by the Board. It is anticipated that the Board would choose a maximum and minimum annual fee for any parcel/property owner. The 2a and 2b alternatives are visually displayed in the chart to aid in the understanding of the resulting per parcel cost breakdowns.

It is our recommendation that the benefits-based Concept 2 be pursued for this WMD with a preference toward Concept 2b. Note that the 25% and 50% Grant funding are unlikely scenarios but have been provided for comparison.

Table 1: Annualized Charges Per Parcel

Grant Dollars		WMD Charge + Local Match (50/50 split with local RCWD + Partners)	Concept 2a – Benefit Based Assessment, Flat Fee	Concept 2b – Benefit Based Assessment, Stepped Fee	
			Base Fee (88 parcels)	Riparian (72 Parcels)	Deeded Access (16 Parcels)
\$0	(No Grant)	\$500,000	\$568	\$625	\$313
\$250,000	(25% Grant Funded)	\$375,000	\$426	\$469	\$234
\$500,000	(50% Grant Funded)	\$250,000	\$284	\$313	\$156
\$750,000	(75% Grant Funded)	\$125,000	\$142	\$156	\$78



Legend

- Riparian
- Public/Parks/ROW
- Deeded Access

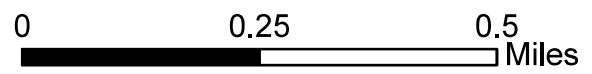


Figure 1: Centerville Lake WMD Parcel Orientation

Scale AS SHOWN	Date 5/30/23	Drawn By KRB	Checked By ANN
-------------------	-----------------	-----------------	-------------------

Annual Parcel Charge per Alternative

