

COON CREEK WATERSHED DISTRICT

Request for Board Action

MEETING DATE: May 12, 2025
AGENDA NUMBER: 6
ITEM: Administrator's Report

AGENDA: Consent

REQUESTED ACTION:
Receive report.

ADMINISTRATOR'S EVALUATION

District Capacity and Capability

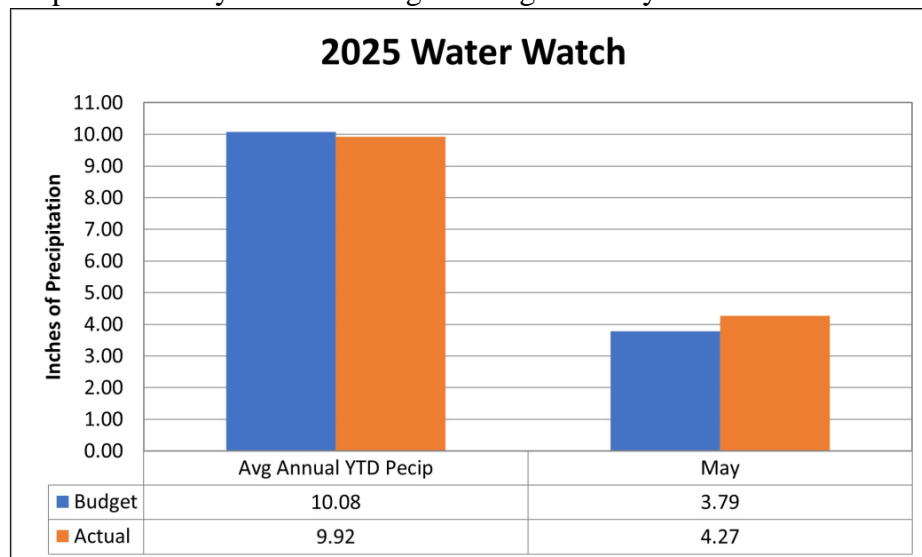
The District currently possesses the required resources and is trained to undertake most of its legislative mission for which it is organized and designed. The District can accomplish most required tasks to the required standard under most conditions. However, sustained effort may be at risk.

MANAGEMENT SITUATION

Natural Environment

The District received an average of 4.27 Inches of precipitation in the month of May. This puts the District 0.48 inches (13%) above average for the month and 0.16 inches (2%) below for the year.

According to the latest US Drought Monitor release (May 27th), and following recent precipitation events, the District is free of drought status after being considered Abnormally Dry for one week. Water levels and flows throughout the District are on the normal to high end of the normal range for this time of year. Surface water storage capacity is adequate, and short term forecasted precipitation likely will not change this significantly.



Economic Environment

Budget Forecast

Governor Walz has released a revised state budget, with more cuts, but protects investments made last session. That revised budget includes just under \$250 million in additional ongoing cuts for 2028-29, amid a looming deficit.

Clean Water Fund

Governor has proposed a cut in state sales tax of .075% off the current state sales tax of 6.875%. Governor believes the state would still collect more sales taxes overall.

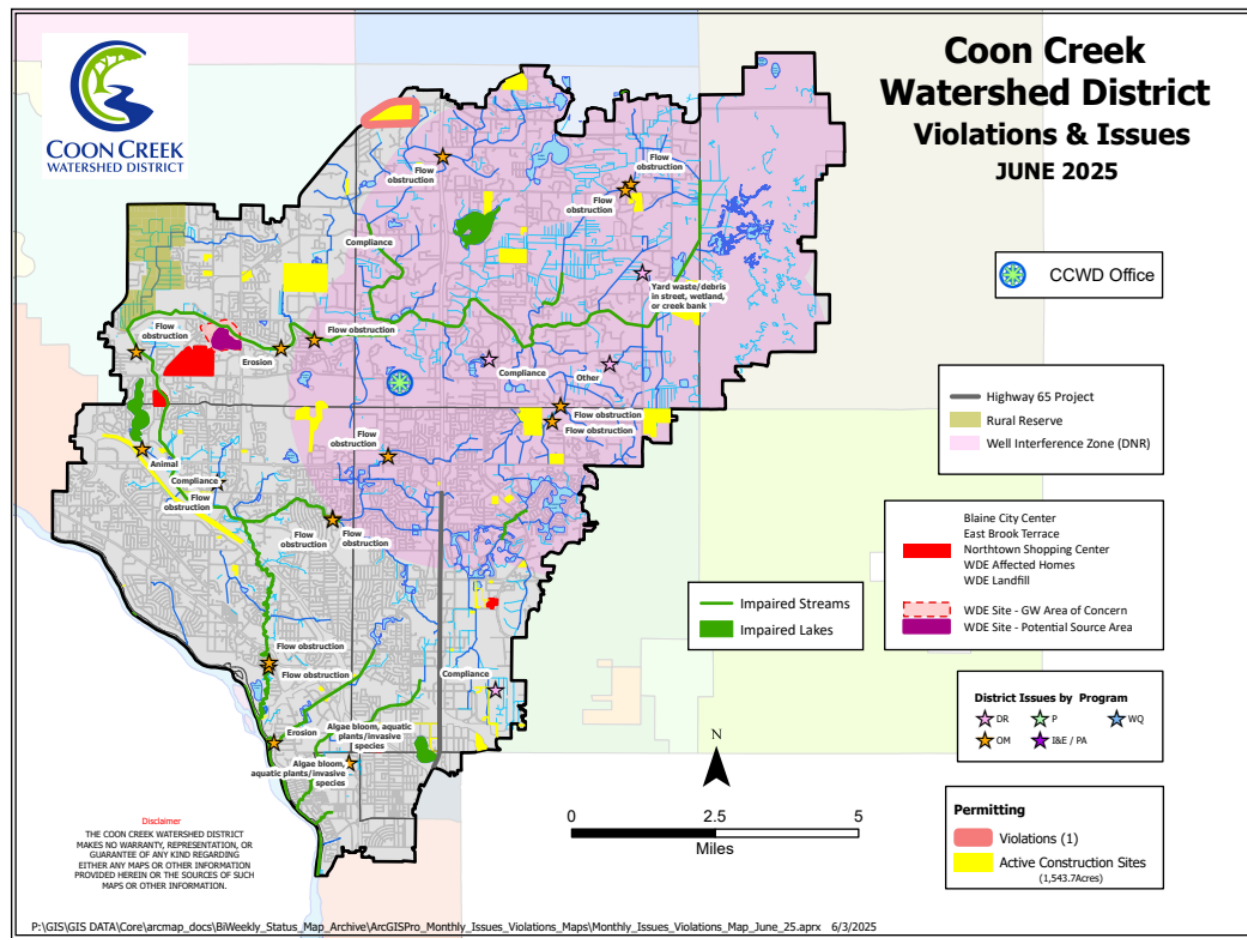
Management Environment

| Agency | Status |
|--|---|
| Federal Government | <ul style="list-style-type: none">• The President's "skinny budget," includes steep reductions compared to FY25 enacted levels: a 34.9% cut to the Department of Labor (DOL) and a 15.3% cut to the Department of Education (ED).• U.S. House Transportation and Infrastructure Committee Chair Sam Graves (R-MO) and Ranking Member Rick Larsen (D-WA) are seeking comments on a draft discussion bill, the Fixing Emergency Management for Americans (FEMA) Act of 2025. |
| FEMA | <ul style="list-style-type: none">• New Director |
| Minnesota Legislature | <ul style="list-style-type: none">• Budget – Gov released revised budget• FY 26/27 appropriation is \$6 million total |
| BWSR | <ul style="list-style-type: none">• Meeting scheduled for June 25• Clean Water Fund Projects & Practices competitive grant program will be pooled into one RFP in 2026 – No competitive P&P grant this year. |
| Clean Water Council | <ul style="list-style-type: none">• Meeting scheduled for June 16 |
| Department of Natural Resources | <ul style="list-style-type: none">• Met with DNR Waters & Eco Resources Division Director and permitting staff May 28.• No commitments or concessions were received from DNR |
| Minnesota Pollution Control Agency | <ul style="list-style-type: none">• MS4 Part 1 Permit Application was due May 20, 2025. |
| Minnesota Association of Watersheds (MAWD) | <ul style="list-style-type: none">• State Permitting: See below• Resolutions<ul style="list-style-type: none">○ Resolutions due June 2, 2025○ Resolutions committee meets June 13 |

Strategic

State Regulatory Inconsistency and Unevenness: Resolutions have been submitted on permitting process to Minnesota Watersheds. Minnesota Watershed plan is to continue discussions and review projects facing permit challenges; Develop retail check list of guidance for applicants; Discuss possibilities of establishing a State technical team for each project; Meet to discuss threatened and endangered species.

Operational Problems, Issues, and Concerns



COLLABORATOR ACTIONS CAPACITY AND CAPABILITY

| Collaborator | Description |
|--------------|--|
| ACD | <ul style="list-style-type: none"> No update |
| Anoka County | <ul style="list-style-type: none"> Hearing on NPDES violation is currently scheduled for early June |

| | |
|-------------------------|--|
| Andover | <ul style="list-style-type: none"> • Hearing on lawsuit concerning drainage and utility easement was continued to June 10. • Conducting bathymetry mapping on three stormwater ponds |
| Blaine | <ul style="list-style-type: none"> • Draft Lake Management Plan for Sunrise Lake in the Lakes presented to HOA |
| Columbus | <ul style="list-style-type: none"> • Working on Ditch repair needs with Rice Creek and DNR |
| Coon Rapids | <ul style="list-style-type: none"> • Hired stormwater Tech – New Grad |
| Fridley | <ul style="list-style-type: none"> • Installed new weather station at Public Works |
| Ham Lake | <ul style="list-style-type: none"> • |
| Spring Lake Park | <ul style="list-style-type: none"> • |
| Crooked Lake Area Assoc | <ul style="list-style-type: none"> • Planning summer picnic |
| Ham Lake Lake Assoc | <ul style="list-style-type: none"> • Loosing Treasurer and President |

STAFF ACTIVITIES

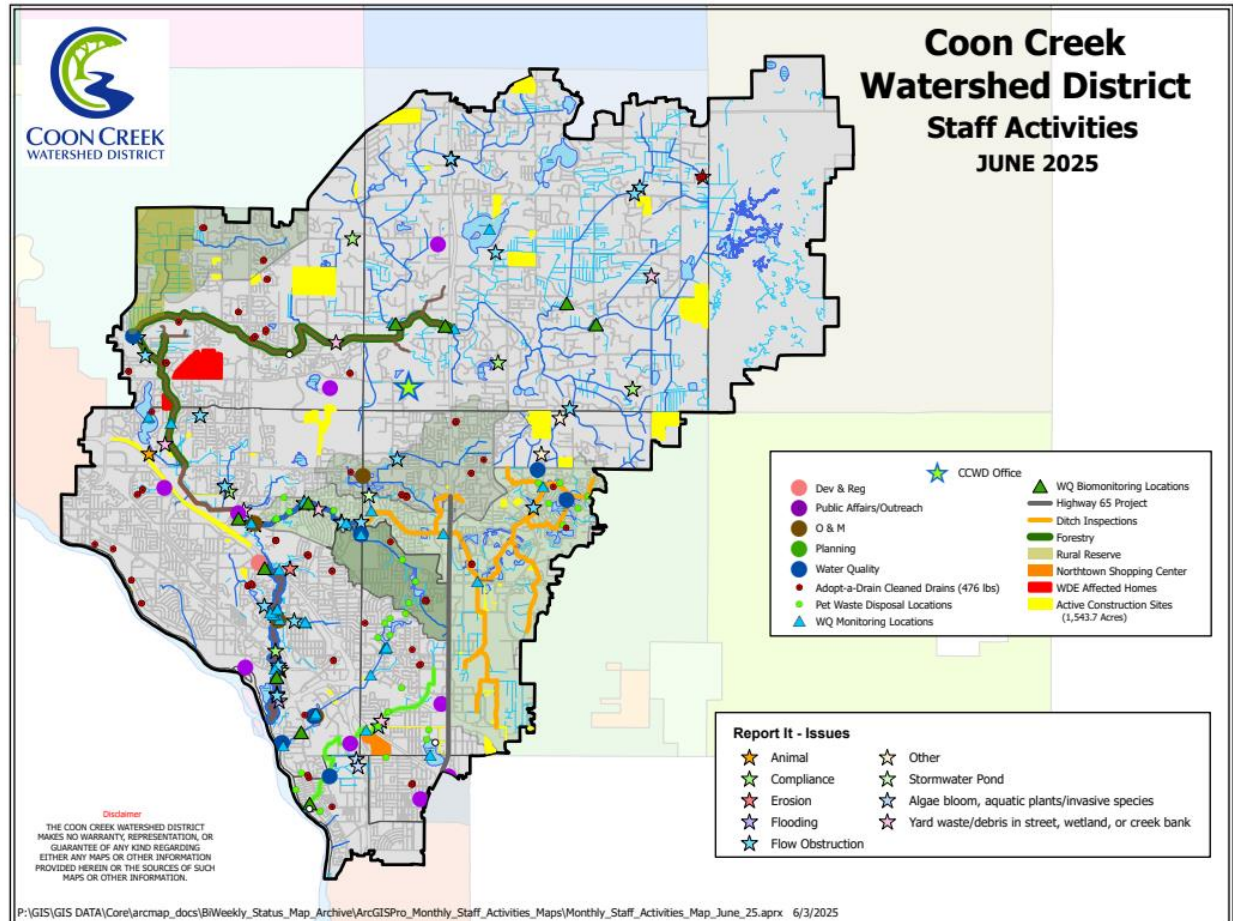
Strategic Management Activities

- 1) **Goal: Request Legislature allocates more money to achieve TMDL by 2045:** Tabled pending resolution of current financial crises.
- 2) **Goal: To Stage TMDL deadline:** No report
- 3) **Goal: To differentiate water resources:** No report.
- 4) **Goal: To keep Comp Plan current:** Progressing on updating CIP.

Special Projects

- **State Permitting:** Earlier
- **Jacon Bankruptcy:** Awaiting payment request
- **Personnel Manual:** Adopted May 5/27.
- **Andover Lawsuit:** Pre-Trial hearing June 10, Abby Lee has been subpoenaed.

Operations Management Activities



DISTRICT CAPACITY AND CAPABILITY

Equipment:

- Equipment On Hand: Good condition
- Field and Hard Asset Condition:
 - Field assets are performing well
 - Natural assets, particularly channels, are seeing routine non-scheduled maintenance
- Scheduled Equipment Purchases:
 - Pleasure Creek filter valve replacement
 - Vehicle

Staffing:

- Compliment & Strength: 14.8 FTEs
- Personnel Structure: Shuffle office space to accommodate cross discipline position
- Vacancies/New Hires: District has no vacancies.
- Retention:
 - 6/4 Julie Peterson 7 YOS
 - 6/11 Dwight McCullough 7 YOS
 - 6/13 Mary Campbell 3 YOS

Training:

- Technical Training:
 - Confined Space
 - June 10: Targeted Street Sweeping
- Management Training:
 - Parental Leave
 - MPCA Clean Water Act 401 Certification
- Training Support:
 - St Anthony Falls Laboratory (SAFL)

Sustaining:

- Agency Collaboration:
 - TAC Meeting: 6/12

Budget & Funding

As of Date:

05/31/2025

| | Year Ending 12/31/2025 | Year To Date 05/31/2025 | | | |
|-----------------------|---------------------------|----------------------------|---------------------|--------------|-------|
| | CCWD 2025 Budget | CCWD 2025 Budget | Actual Expenses YTD | Variance YTD | |
| Revenue | | | | | |
| Property Taxes | 6,189,240.00 | 2,578,850.00 | 0.00 | 2,578,850.00 | -100% |
| Fees & Charges | 298,423.00 | 124,345.00 | 86,853.75 | 37,491.25 | -30% |
| Grants | 2,566,549.00 | 1,069,400.00 | 762,846.70 | 306,553.30 | -29% |
| Other Revenue | 115,000.00 | 47,915.00 | 61,923.08 | (14,008.08) | 29% |
| Total Revenue | 9,169,212.00 | 3,820,510.00 | 911,623.53 | 2,908,886.47 | -76% |
| Expense | | | | | |
| Salaries & Benefits | 2,414,928.00 | 1,006,225.00 | 731,334.83 | 274,890.17 | -27% |
| Professional Services | 489,487.00 | 203,955.00 | 135,435.02 | 68,519.98 | -34% |
| Operating Expenses | 314,577.00 | 131,075.00 | 106,156.87 | 24,918.13 | -19% |
| Program Expense | 5,864,452.00 | 2,443,555.00 | 1,008,225.85 | 1,435,329.15 | -59% |
| Capitalized Expenses | 198,174.00 | 82,585.00 | 51,504.67 | 31,080.33 | -38% |
| Total Expense | 9,281,618.00 | 3,867,395.00 | 2,032,657.24 | 1,834,737.76 | -47% |

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Coon Creek Watershed District Cash Balance

As of Date:

05/31/2025

| | Escrow Fund | General Fund | All Funds |
|---------------------------------|--------------|----------------|--------------|
| | Month Ending | Month Ending | Month Ending |
| | 05/31/2025 | 05/31/2025 | 05/31/2025 |
| Cash and Cash Equivalents | | | |
| Cash | 1,605,103.94 | (1,935,430.68) | (330,326.74) |
| Petty Cash | 0.00 | 250.00 | 250.00 |
| Investment Account | 5,070.00 | 4,079,321.11 | 4,084,391.11 |
| Total Cash and Cash Equivalents | 1,610,173.94 | 2,144,140.43 | 3,754,314.37 |

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May started with an operational fund balance of approximately \$1,973,457.60

Change in net cash position was +\$170,682.80

Balance of the escrow trust fund is \$1,636,287.62

Five months into the fiscal year, the budget variance is -29% less than planned