

Watershed District Handbook

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Preface

Water is one of the words most people immediately associate with Minnesota, the “land of 10,000 lakes.” Our water resources play an important role in our everyday life, contributing to our economy, recreational activities, education and lifestyle. As a Watershed District Manager or Administrator, you have a tremendous opportunity to make a valuable contribution to protect and manage these water resources.

Managing water is a unique task. Water follows its own confines and to effectively manage it, humans must conform to its natural hydrological boundaries, rather than trying to manage it in terms of political divisions. Unlike any other local unit of government, Watershed Districts are specifically created to do just that. This type of management helps ensure that the entire watershed—not just the county, city or township—is considered when water management decisions are made.

This handbook was created for not only new managers and employees, but experienced ones as well. For the new Watershed District Manager or employee, this handbook can be used as a way to overview their new role. As a manager or employee gains more experience, this handbook can provide useful information for specific situations.

The Minnesota Association of Watershed Districts

The Minnesota Association of Watershed Districts (MAWD) provides educational opportunities and information to help manage a Watershed District and to comply with governmental regulations and laws. It provides training for Watershed District Managers and staff through yearly tours, meetings and quarterly newsletters. It maintains an extensive website designed to provide basic information for Watershed Districts and to the general public about Watershed Districts and where they are in the state. The website is available for Watershed Districts to utilize if they do not have their own site. See Chapter 5, Annual Programs, Section 2, for more information.

Disclaimer

The Watershed District Handbook is designed to be a reference tool and to provide guidance for Watershed Districts. It is not intended to be a legal document and does not take the place of expert opinion on various subject matters. MAWD is not liable for any actions that may arise from the use of the Watershed District Handbook.

Special Thanks

This Handbook is a compilation of information from numerous resources. We would especially like to thank those organizations that provided content at no charge to MAWD: The League of Minnesota for its Cities’ [Handbook for Minnesota Cities](#); the Association of Minnesota Counties; Mark Lenz, TC Fields, Smith Partners, as well as several Watershed Districts.

A special thanks also to District Administrators participating in the Handbook Committee; staff of the Minnesota Board of Soil and Water Resources; the MAWD Board of Directors and the coordinator of MAWD.

Welcome

This handbook is designed to meet your needs as a Watershed District Manager, Administrator or staff member. If you are new to the role, you are embarking upon a journey that will provide you with tremendous learning opportunities in the water resources arena. Unlike other units of local government, Watershed Districts are created to manage water by hydrologic boundaries and not by political boundaries. In your role, you will understand the science of water resource management as well as how to promulgate rules and regulations to protect these resources.

As a manager and employee, you will learn how to: partner with constituent cities, townships and state agencies; help plan, develop, finance and implement capital projects and the legal obligations of a Watershed District. As an Administrator, you will learn how to administer a regional government; hire and supervise employees and consultants as well as to provide key support to a volunteer Board of Managers. The field of water resource management is continually in flux and provides Watershed Districts with unlimited potential to discover and implement new ways of protecting this vital resource.

Purpose of the Handbook

This Handbook is designed to be the key reference tool for the Board of Managers, Administrator and other District staff. Since size and expertise of District staff varies, it is imperative that the managers and staff alike have a general understanding of all operations of the Watershed District and know where to find accurate information promptly.

Chapter 1. Watershed Districts in Minnesota

Section 1: History of Watershed Districts

In 1953, Congress approved the federal Watershed Protection and Flood Prevention Act. The Act provided financial assistance to local agencies responsible for the management of secondary watersheds. These agencies had the power of eminent domain and the ability to levy for support of their activities. When the existing soil and water conservation Districts (SWCDs) declined to assume those powers in Minnesota, the Minnesota Legislature approved the Watershed Act, M.S. Chapter 103D in 1955. This act allowed the establishment of Watershed Districts based upon a petition to the Minnesota Water Resources Board (now the Board of Water and Soil Resources) by either citizens or local governmental units.

As the Act was being developed, it became clear that many believed that Watershed Districts should be run by people somewhat removed from the political process, so they would be able to make tough and possibly unpopular decisions without worrying about political consequences. To facilitate this, it was agreed that Watershed District Managers would be appointed, rather than elected. Land use zoning powers would remain with elected city and county officials.

The first Watershed District was established in 1957. The High Island Watershed District, encompassed parts of Sibley, Renville, and McLeod counties. Other Districts followed, with the 46th and most recent one, the Cedar River Watershed District, established in 2007.

Over the years, Watershed Districts' responsibilities have increased significantly from their original objectives of focusing upon water quantity. Watershed Districts now deal with a wide variety of water-related concerns besides water quantity, especially those related to water quality, including wetlands and groundwater management.

Section 2. Local, State and Federal Agency Relationships

Local, State and Federal Agencies Relationships

Watershed Districts work with local, state and federal agencies. Oftentimes, the success of a Watershed District's efforts relies upon a good working relationship with local, state, and federal agencies.

Local Agency Relationships

Cities

The Metropolitan Surface Water Management Act, M.S. Chapter 103B.235, requires that all cities develop local surface water management plans which are approved by the Watershed Management Organization which includes Watershed Districts. Since a Watershed District's boundaries follow the flow of water, several cities may be included within the Watershed District's boundaries. Both the Watershed District and cities have regulatory authority on projects that impact water resources. It is important that each entity understand the other's

roles and when it is appropriate and/or beneficial to work together to establish and enforce rules and regulations as well as when to partner on capital improvement projects.

Soil and Water Conservation Districts (SWCDs)

SWCDs are local units of government that manage and direct conservation programs, using state, federal, and private resources. SWCDs are governed by a board consisting of five elected supervisors. Virtually all of the SWCDs in Minnesota have at least one staff person. SWCDs work directly with landowners to put conservation practices on the land.

SWCDs locally administer a number of state programs, including the State Cost-Share Program and the Reinvest in Minnesota Reserve Program.

SWCD funding primarily comes from the county, state, and self-generated income.

Counties

Counties are local units of government that manage resource-related activities through planning and zoning laws. Each of Minnesota's 87 counties is governed by a board of either five or seven commissioners. Counties vary greatly in terms of how strictly they control the use of land and water resources.

Counties locally administer a number of state programs, including the Shoreland and Floodplain Management, Feedlot Program, ISTS and the Comprehensive Local Water Management Program. Through this program, counties can receive base grant funding to hire staff and implement priority programs and activities identified in a state approved and locally adopted Comprehensive Local Water Management Plan. These local water plans are developed by local task forces representing a variety of interests; the plans address virtually all aspects of water management, including ditch management, water quality, lake levels, wetlands, recreational water use, fish and wildlife habitat etc.

Each county has a designated a local water planning coordinator. Often, this is the SWCD; sometimes it is someone with the county planning and zoning or environmental health office (the list of coordinators is on the BWSR website at www.bwsr.state.mn.us).

State Agencies

Minnesota Board of Water and Soil Resources (BWSR)

The Board of Water and Soil Resources (BWSR) is a state agency created in 1987 through a merger of the Soil and Water Conservation Board, the Water Resources Board, and the Southern Minnesota River Basins Council. BWSR is the state's administrative agency for 91 soil and water conservation districts, 46 Watershed Districts, 23 metropolitan watershed management organizations, and 80 county local water management plans. The agency works with local governments who in turn work with and private landowners to implement a broad range of water and land related protection and management programs. BWSR implements the state's soil and water conservation policy, comprehensive local water management, and the Wetland Conservation Act. BWSR has state administrative authority for SWCDs and Watershed Districts. It approves their work plans and provides them with financial and technical assistance.

The agency has a unique service delivery system using the staff and resources of local government, along with the state staff and resources, to work with private landowners to implement conservation on the ground. This provides an opportunity to partner state, federal, local, and private resources to private lands projects that help maintain water quality, prevent soil loss and erosion, plan for land use, and protect wetlands. These partnerships in service delivery ensure that the interest of state policy is implemented with local issues and problems in mind.

Core functions: BWSR's mission is implemented through the following core functions:

- To function as the state soil conservation agency. (M.S. Chapter 103B.101)
- To direct private land soil and water conservation programs through the action of SWCDs, counties, cities, townships, Watershed Districts, and water management organizations. (M.S. Chapter 103C, 103D, 103F)
- To link water resource planning with comprehensive land use planning. (M.S. Chapter 103B)
- To provide resolution of water policy conflicts and issues. (M.S. Chapters 103A.211, 103A.305, 103A.315, 103A.311)
- To implement the comprehensive local water management acts. (M.S. Chapters 103B.201, 103B.255, 103B.301)
- To provide the forum (through the board) for local issues, priorities, and opportunities to be incorporated into state public policy. (M.S. Chapters 103B.101)
- To administer for the wetland conservation act. (M.S. Chapter 103G)
- To coordinate state and federal resources to realize local priorities.

Operations: The BWSR board has 20 members. These members include three representatives of SWCDs, three representatives of Watershed Districts or watershed management organizations, three representatives of counties, two city representatives, 1 township representative, and three citizen members. The five remaining members represent the Pollution Control Agency, the Department of Health, the Department of Agriculture, the University of Minnesota, and the Department of Natural Resources. The board generally meets nine times a year on the fourth Wednesday of a given month. The board sets a policy agenda designed to enhance service delivery through the use of local government.

The agency [staff members](#) are located in eight field offices throughout the state in St. Paul, Rochester, Marshall, New Ulm, Brainerd, Bemidji, Fergus Falls, and Duluth. The St. Paul field office is co-located with the central office.

The BWSR website is: www.bwsr.state.mn.us

Minnesota Department of Agriculture

The Minnesota Department of Agriculture (MDA) has existed for more than 100 years. Today, the Minnesota Department of Agriculture:

- is the primary food safety agency in Minnesota;
- enforces state laws pertaining to the sale, use and disposal of a host of agricultural inputs (fertilizers and pesticides);

- regulates and provides services to protect Minnesota agricultural crops and native plant species;
- assists agricultural producers with resource management and protection;
- works to develop and diversify Minnesota's agricultural industries, markets, and products.

The MDA helps ensure that farmers have quality seed, fertilizer, pesticides and animal feed so that the final product is also high quality. It provides a myriad of services to farmers in addition to risk-management education, organic and sustainable agriculture technical support and dairy and livestock development support.

The MDA conducts dairy and food processing facility inspections and international market development. It provides consumer food safety education, agriculture chemical spill response and grocery store inspections.

The MDA administers the Agriculture BMP Loan Program.

Its website is: www.mda.state.mn.us.

Minnesota Department of Health (MDH)

The Minnesota Department of Health is the state's lead public health agency and works with governmental and other organizations to protect the health of entire communities and programs that promote clean water, safe food, quality health care and healthy personal choices. It provides technical and financial assistance to local public health agencies, public and private care providers, non-governmental organizations and teaching institutions.

Its core functions are:

- Preventing diseases by detecting and investigating disease outbreaks
- Reducing health hazards by identifying and evaluating potential health hazards in the environment
- Protecting health care consumers by regulating people and institutions that provide care
- Promoting good health to help people make healthy choices
- Achieving success through partnership with local public health agencies.
- Its website is: www.health.state.mn.us.

Minnesota Department of Natural Resources

The Minnesota Department of Natural Resources (MDNR) was created in 1931. Its mission is to "work with citizens to conserve and manage the state's natural resources, to provide outdoor recreation opportunities and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life." The agency is organized into four geographic locations, eight operating divisions and four support bureaus. There are 200 field locations. The eight operating divisions are as follows:

- **Lands and Minerals** manages agency real estate transactions and provides expertise on mineral exploration, mining and mine land reclamation.

- **Ecological and Water Resources**
 - **Landscape Resource Core Areas** • Conserving Minnesota's natural heritage: including natural areas, and native plants and animals
 - Protecting ecological health by restoring ecosystems and addressing threats such as invasive species
 - Supporting local stewardship by providing information for land use decisions
 - Promoting enjoyment and understanding of nature through wildlife viewing and nature tourism
 - **Water Resource Core Areas**
 - Public Waters Protection
 - Water Supply Management
 - Information for Decision-Making
- **Forestry** strives for the sustainable yield of timber resources for forest products while managing state forests for wildlife habitat and recreation. Forestry also protects citizens and property from wildfires.
- **Parks & Trails** operates a system of state park and forest campgrounds that preserves and manages natural, scenic and cultural resources, and offers opportunities for recreation and education and provides access to lakes, rivers and streams; designates boating routes and maintains a statewide network of recreation trails.
- **Fish and Wildlife** conserves and enhances the state's fish and wildlife populations and their supporting habitats through management and restoration, research and monitoring, harvest regulations and education.
- **Enforcement** seeks compliance with the laws related to game and fish and the operation of watercraft, snowmobiles, ATVs and other recreational vehicles and provides a series of conservation education programs.

Operations Support includes the commissioner's office; four bureaus that provide administrative and support services to all other DNR divisions as well as direct services to the general public and regional operations for four geographic regions (northwest, northeast, central and southern).

- The MDNR website is: www.dnr.state.mn.us.

Minnesota Pollution Control Agency

The Minnesota Pollution Control Agency (MPCA) was created in 1967 to protect Minnesota's environment through monitoring environmental quality, providing citizens, other governmental agencies and businesses with the information they need to protect and improve the environment and developing and enforcing environmental regulations.

The MPCA has eight regional offices and seven divisions. The divisions are designated as follows:

- **Remediation Services** provides emergency response and remediation (clean up) services for contaminated sites, redevelopment proposals and closed landfills. Superfund and leaking storage tank cleanup is handled in this division.

- **Regional Environmental Management** helps build capacity at the local level to restore and improve the environment. It provides water quality and air quality local planning and implementation programs, clean water partnerships, feedlots, total maximum daily load (TMDL) implementation and basin planning.
- **Industrial Environmental Services** provides regulatory services to current and historical industrial sources of air, water and land pollution. Permitting, compliance and enforcement for water quality, air quality, industrial solid waste, hazardous waste and industrial stormwater as well as associated rule-making tanks (regulatory) are included in this division.
- **Municipal Environmental Services** provides regulatory services to operators of publicly and privately-owned wastewater treatment and stormwater facilities. Services are also provided to mixed municipal landfills and transfer stations. The regulatory services include permitting, compliance and enforcement. The MPCA's Stormwater Program is designed to reduce the pollution and damage caused by stormwater runoff. It was mandated by Congress under the Clean Water Act and is called the National Pollutant Discharge Elimination System (NPDES) Stormwater Program. Minnesota regulates the disposal of stormwater through State Disposal System (SDS) permits. The MPCA issues combined NPDES/SDS permits for construction sites, industrial facilities and municipal separate storm sewer systems (MS4s).

The United States Congress enacted Section 319 of the federal Clean Water Act (CWA) in 1987, establishing a national program to control nonpoint sources (NPS) of water pollution. The State of Minnesota Nonpoint Source Management Program Plan (NSMPP) is a requirement for Minnesota to remain eligible to receive NPS grant funds from the US Environmental Protection Agency (US EPA) under Section 319 of the CWA.

- **Environmental Outcomes and Analysis** monitors and evaluates the physical, chemical and biological conditions of Minnesota's environment. It identifies potential impacts to human health and the environment, helps set environmental goals, establishes environmental standards, helps develop permit limits and reports results to staff, stakeholders and citizens.
- **Operational Support Services** oversees the MPCA's finances and its business operations (vehicle fleet, leases, mail and shipping, etc.), human resources processes and issues and communication services.
- **Prevention and Assistance** provides information, economic, technical and educational assistance that results in implementation and increased use of environmentally and economically beneficial behaviors, technologies and products. The Customer Assistance Center responds to requests for information and assistance from citizens. Small business assistance and pollution prevention are also based in this division.

The MPCA website is: www.pca.state.mn.us.

Federal Agencies

Natural Resources Conservation Service

Since 1935, the Natural Resources Conservation Service (NRCS) , originally called the Soil Conservation Service) has provided leadership in a partnership effort to help America's private land owners and managers conserve their soil, water, and other natural resources.

NRCS employees provide technical assistance based on sound science and suited to a customer's specific needs.

The NRCS provides the following services:

- The Conservation Technical Assistance (CTA) program provides voluntary conservation technical assistance to land-users, communities, units of state and local government, and other Federal agencies in planning and implementing conservation systems.
- Outreach to all segments of the agricultural community, including underserved and socially disadvantaged farmers and ranchers to ensure that programs and services are accessible to everyone.
- Managing natural resource conservation programs that provide environmental, societal, financial, and technical benefits.
- Offering technical expertise in such areas as animal husbandry and clean water, ecological sciences, engineering, resource economics, and social sciences.
- Offering expertise in soil science and leadership for soil surveys and for the National Resources Inventory, which assesses natural resource conditions and trends in the United States.
- Providing technical assistance internationally.

The NRCS website is: www.nrcs.usda.gov.

The United States Army Corps of Engineers

The United States Army Corps of Engineers (USACOE) is responsible for regulating activities in wetlands and water courses. The St. Paul District borders the edges of four river basins: Mississippi River, Red River of the North, Souris River and the Rainy River and shares about 500 miles of border with three Canadian provinces. The District includes most of Minnesota, the western half of Wisconsin, the northeastern half of North Dakota and small portions of South Dakota and northern Iowa.

The St. Paul District is responsible for:

- Supporting inland navigation by operating 13 locks and dams and by maintaining the Nine-Foot Navigation Channel.
- Helping local communities reduce damages caused by flooding.
- Issuing permits for works in wetlands and navigable rivers.

- Operating 16 reservoirs for flood damage reduction, recreation, fish and wildlife habitat and water supply.
- Environmental restoration programs to improve fish and wildlife habitat.
- Emergency response operations following natural disasters.
- Recreation activities at Corps facilities including campgrounds, day-use areas, boat ramps and swimming beaches.

The USACOE website is: www.mvp.usace.army.mil.

United States Department of Agriculture Farm Service Agency

The mission of the U.S. Department of Agriculture's Farm Service Agency (FSA) is : Stabilizing farm income, helping farmers conserve land and water resources, providing credit to new or disadvantaged farmers and ranchers, and helping farm operations recover from the effects of disaster.

FSA was set up when the Department was reorganized in 1994, incorporating programs from several agencies, including the Agricultural Stabilization and Conservation Service, the Federal Crop Insurance Corporation (now a separate Risk Management Agency), and the Farmers Home Administration. Though its name has changed over the years, the Agency's relationship with farmers goes back to the 1930s.

At that time, Congress set up a unique system under which federal farm programs are administered locally. This grassroots approach gives farmers a much-needed say in how federal actions affect their communities and their individual operations. FSA must consider the environmental effects of its proposed actions upon the human environment in accordance with the National Environmental Policy Act (NEPA) of 1969. In 1978, the Council on Environmental Quality (CEQ) promulgated regulations to implement the procedural requirements of NEPA. These CEQ regulations direct agencies to adopt procedures to implement NEPA.

FSA's implementing regulations for NEPA are found at 7 CFR part 1940 subpart G (Farm Loan Programs) and 7 CFR part 799 (Farm Programs). Both of these environmental regulations classify the agency's actions into levels of environmental review such as Categorical Exclusions, Environmental Assessments, and Environmental Impact Statements. The National Historic Preservation Act compliance and other cultural resource considerations also are incorporated into FSA's NEPA process.

FSA's programs are administered through its network of state, district, and county offices. Each FSA State Office has a State Environmental Coordinator (SEC). These SECs provide oversight, support, and training to District and county personnel to ensure that NEPA compliance is fully implemented.

FSA's website is: www.fsa.usda.gov.

United States Environmental Protection Agency

The United States Protection Agency (USEPA) was formed in 1970 to protect human health and the environment. It works with state agencies to:

- Develop and enforce regulations that implement laws. It is responsible for researching and setting national standards for environmental programs and delegates the responsibility of issuing permits, monitoring and enforcing compliance to tribes and states
- Provides direct support through grants to state environmental programs, such as research grants and graduate fellowships; environmental services and projects and through programs such as: the Drinking Water State Revolving Fund, the Clean Water State Revolving Fund and Brownfields
- Performs environmental research to assess environmental conditions and to identify, understand and solve current and future environmental problems and to integrate the work of scientific partners in the public and private sectors
- Sponsors voluntary partnerships and programs on pollution prevention and energy conservation
- Promotes environmental education through its programs and information

The USEPA website is: www.epa.gov.

United States Fish and Wildlife Service

The U.S. Fish and Wildlife Service (USFWS) is a bureau within the Department of the Interior. Its mission is working with others to conserve, protect and enhance fish, wildlife and plants and their habitats for the continuing benefit of the American people. Although a relative newcomer to the Department of the Interior, USFWS' programs are among the oldest in the world dedicated to natural resource conservation. The USFWS traces its origins to the U.S. Commission on Fish and Fisheries in the Department of Commerce and the Division of Economic Ornithology and Mammology in the Department of Agriculture.

The USFWS manages the 93 million-acre National Wildlife Refuge System of more than 520 National Wildlife Refuges and thousands of small wetlands and other special management areas. Under the fisheries program it also operates 66 National Fish Hatcheries, 64 fishery resource offices and 78 ecological services field stations.

Among its key functions, the USFWS enforces federal wildlife laws, protects endangered species, manages migratory birds, restores nationally significant fisheries, conserves and restores wildlife habitat such as wetlands, and helps foreign governments with their international conservation efforts. It also oversees the Federal Aid program that distributes hundreds of millions of dollars in excise taxes on fishing and hunting equipment to state fish and wildlife agencies.

The vast majority of fish and wildlife habitat is on non-Federal lands. The Partners for Fish and Wildlife, Partners in Flight, Sport Fishing and Boating Partnership Council and other partnership activities are the primary mechanisms for assisting voluntary habitat development on private lands and fostering aquatic conservation.

The USFWS is a decentralized organization with a headquarters office in Washington, D.C., seven geographic regional offices, and nearly 700 field units.

The Service's website is: www.fws.gov.

Two resource agencies are: Minnesota Planning and the Minnesota Land Management Information Center. Minnesota Planning provides background reports on water resource and land use planning. Its website is: www.mnplan.state.mn.us. The Minnesota Land Management Information Center provides extensive geographical information, including updates on Metro GIS (Geographic Information Systems). Its website is: www.lmic.state.mn.us.

Section 3. Establishment of Watershed Districts

The authority to create a Watershed District is provided in M.S. Chapter 103D.205.

In order to create a Watershed District, an establishment petition needs to be filed with BWSR and signed by one or more of the groups designated under M.S. Chapter 103D.205 Subd. 3. groups, which could be counties, cities or residents. Specific information must be provided and the number of the managers proposed cannot be less than three or more than nine. The manager cannot be a public officer of the county, state or federal government but can be a city or township or a soil and water conservation supervisor.

The director of the DNR, Division of Waters, must prepare a preliminary map and report and submit it to BWSR within thirty days after receipt of the petition (M.S. Chapter 103D.215). BWSR determines if there is the required number of petitioner signatures and provides a legal notice that a public hearing will be conducted (M.S. Chapter 103D.221). After considering public input, BWSR will approve or deny the petition. If BWSR approves the establishment of a Watershed District, it will designate the District's boundaries, name, place of business and first Board of Managers. See Appendix B2 – Procedures for Establishing a Watershed District.

Section 4. Boundaries/Consolidation/Termination of Watershed Districts

In order to change the boundaries of the Watershed District, a petition for the change must be completed and signed by counties, cities, resident owners or the managers of the Watershed District affected by the proposed boundary change, as indicated in M.S. Chapter 103D.251. In addition, the managers must pass a resolution authorizing the boundary change before they sign the petition. BWSR will set a hearing and will determine if the boundary change is in the public's best interest. For Watershed Districts entirely within the seven-county metropolitan area, M.S. Chapter 103B.225 refers to addition or transfer of property as well as conditions on a boundary change or termination.

M.S. Chapter 103D.255 relates to withdrawal of territory from an existing Watershed District through a petition process. M.S. Chapter 103D.261 refers to proceedings to enlarge a Watershed District and follows the establishment petition, generally. If two or more Watershed Districts want to consolidate, a petition must be filed with BWSR and the BWSR will determine whether or not the consolidation will be allowed. Real and personal property assets as well as enforceable claims and contract obligations of the Watershed Districts pass to the new Watershed District. Chapter and contractual obligations will be passed onto the new Watershed District, as indicated in M.S. Chapter 103D.265. Finally, M.S. Chapter 103D.271 allows a termination petition to be filed after the first five years when the Watershed District was actually created. The petition must be signed by at least 25 percent of the resident owners residing in the Watershed District. BWSR will provide notice and conduct a hearing and may

or may not issue a termination order. The Watershed District ceases to exist once the termination order is filed with the Secretary of State.

Section 5. Watershed District Powers and Duties

In general under M.S. Chapter 103D.335, a Watershed District has the power to:

- sue and be sued
- incur debts, liabilities and obligations
- exercise the power of an eminent domain
- levy property taxes and special assessments
- issue certificates, warrants, bonds
- acquire and dispose of property
- hire staff and consultants
- regulate development

Basic Watershed District Manager duties include:

- Adopt watershed plan
- Adopt rules and regulations
- Establish annual budget
- Prepare annual report & audits
- Establish citizen advisory committee
- Initiate Projects
- Maintain & operate existing projects
- Implement Plan

When Watershed Districts have expanded authorities

- When acting as a public drainage authority under MS103E
- When acting as a metropolitan watershed management organization (WMO) under MS103B.201 a Watershed District has the expanded authority to:
 - Expanded ad-valorem authority
 - Ability to certify capital projects to county for payment and collection
 - Must identify capital improvements in the WD plan
 - Approval authority of municipal water plans

In 1982, the Minnesota Legislature approved the Metropolitan Water Management Act, which requires development and implementation of watershed management plans for the minor watershed units in the seven county metro area. There are currently 14 metropolitan Watershed Districts. Not all land in the seven county metropolitan area is covered by

watershed districts. The remaining land in the metropolitan area is organized into “watershed management organizations” (WMOs). These WMOs are governed under joint powers agreements and are not covered by this handbook.

Chapter 2. Board of Managers and District Administrator

Section 1. Manager Roles and Responsibilities

Role of the Manager

Each Watershed District is governed by an appointed Board of Managers consisting of 3-9 members. This board plays a crucial role in the success of a Watershed District. The manager must be a resident of the Watershed District; and may not be a county, state or federal government public officer. The exception is that the manager may be a SWCD supervisor.

The Watershed District Manager's job is to preside over the business of the Watershed District. Working as part of the board, a manager helps direct the activities of the District, sets policy, guides staff, and makes key decisions on District priorities.

Typical Board Responsibilities

1. Organizational Support. Typical tasks should include:
 - elect officers: president, vice president, secretary, and treasurer
 - hire staff and delegate the authority to carry out District policies
 - ensure that any staff or consultants employed by the District have a complete description of their responsibilities
 - define the kind and level of services to be provided
 - conduct an annual presentation to the county board, city councils, and/or township boards
 - provide for continued growth of the District and board members through education, succession of positions, and maintenance of the District charter, bylaws and mission statement
 - work as a team
2. Planning, programming and budgeting: develop a mission statement, policies and rules for the conduct of District business and the implementation of District goals. Typical tasks should include:
 - set short and long-term goals through ongoing strategic planning and preparation of the Watershed Management Plan (M.S. Chapter 103D.401 and 103D.405, or M.S. Chapter 103B.231)
 - establish and maintain program and project priorities (M.S. Chapter 103D.401)
 - approve an annual plan and budget for conducting the business of the District and pursuing District goals for the following year (M.S. Chapter 103D.911)

- Develop bylaws and administrative policies for the administration of the business and affairs of the Watershed District (M.S. Chapter 103D.315 Subd. 11). Administrative policies that the District should have include:
 - Abandoned property (report required annually)
 - Bylaws (required) – usually incorporating:
 - (1) Conflict of interest policy
 - (2) Open Meeting Law compliance protocols
 - Collateralization protocols – for bank deposits exceeding FDIC limits
 - Credit card policy – if district chooses to have a credit card account
 - Data Practice Act policy (required)
 - Financial management/internal controls/fund accounting
 - Per diem policy
 - Personnel policy
 - Public purposes policy
 - Records retention schedule (required)
 - Surety management policy
 - Travel policy

See Appendix B-6, Administrative Policies and Protocols.

3. Financial management: Ensure the financial solvency and accountability of the District and the efficient and effective use of District funds. Typical tasks should include:
 - have an annual audit of the books and accounts of the District (M.S. Chapter 103D.355)
 - promote Watershed District services; participate in governmental affairs activities and raising funds
 - maintain generally acceptable methods of accounting and finance
 - approve monthly bills
4. Reporting and evaluation: Annually monitor the effectiveness and efficiency of District programs and services. Typical tasks should include:
 - annually evaluate District, board and staff performance in relation to established mission and goals and prepare an annual report for distribution to the county, the Board of Water and Soil Resources (BWSR) and the Department of Natural Resources (DNR) (M.S. Chapter 103D.351).
5. Leadership: Exercise leadership in the community. Typical tasks should include:
 - hold regularly scheduled board meetings
 - provide for and encourage a citizens advisory committee
 - work with other board members to achieve consensus on public policy issues
 - review and approve contracts involving the District

- ensure the District meets all legal standards and requirements
6. Regulation: Arbitrate conflicts among competing interests. Typical tasks should include:
- conduct review of permit applications and project proposals in a fair and equitable manner

Section 2. Manager Position Description

See Appendix B-3, Managers Model Position Description.

Section 3. Appointing a Manager; Compensation and Reimbursement

Appointing a Manager

(M.S. Chapter 103D.311, Subd. 1 & 2 and M.S. Chapter 103D.315, Subd. 6)

Counties within the jurisdiction of the Watershed District appoint the District Managers. The manager must be a voting resident of the Watershed District and not be a public officer of the county, state or federal government; however, a soil and water conservation supervisor may be a manager. The appointing county board must provide public notice before making appointments. The term of office is three years. Some counties have established term limits, which is within their authority.

If the District is within the metropolitan area, the county commissioners must appoint managers nominated by the towns and municipalities within the District. This list must contain at least three names for each manager position and submitted to the county board at least 60 days before the managers' positions expire. If a list is not submitted, commissioners can select from eligible persons residing in the Watershed District. The managers should fairly represent the various hydrologic areas within the Watershed District, but represent the Watershed District as-a-whole. The county commissioners must meet at least 30 days before the manager's term of office expires and appoint a successor. A record of the appointments made must be filed with the affected county auditor, secretary of the Board of Managers and BWSR.

Managers must sign an oath defined in the Minnesota Constitution, Article V, Section 6. It must be filed with BWSR. Each manager must file a \$1000 bond with the BSWR (M.S. Chapter 103D.315) before taking on the duties. It can be an individual bond; a schedule or position bond or undertaking by the managers of the Watershed District; a single corporate surety fidelity, schedule or position bond covering all managers and employees for the Watershed District. The Watershed District will pay the bond and the amount of the bond for officers and employees of the Watershed District is the amount set by law or by the person or board authorized to set the amounts. Many Watershed Districts presently use what is commonly referred to as a "position bond". This is a single bond that lists the positions of the board and not the individual managers. The benefit to this practice is that a new bond is not required each time a new manager is appointed.

If a manager dies, contact BWSR and MAWD with the information.

Compensation and Reimbursement

(M.S. Chapter 103D.315 Subd. 8)

The compensation for managers for meetings and for performance of other necessary duties may not exceed \$75 a day (this amount is set in state statute and may only be changed by the MN Legislature). Managers are entitled to reimbursement for traveling and other necessary expenses incurred in the performance of official duties. Mileage may be paid at a rate established by the Board of Managers but may not exceed the current rate allowed by the federal government.

Current regulations require Watershed Districts to file a form 1099 for managers which receive per-diem and expenses during the year. Watershed Districts are advised to consult with the IRS on specific reporting requirements.

Section 4. Role of Officers

Officers should be elected annually by the Board of Managers. If there is an unexpired term of a manager, the Board will elect one of its members to complete the term.

Generally, the officers are: President, Vice President, Secretary and Treasurer.

The President will: serve as chairperson for all meetings; sign and deliver any contracts, deed, correspondence or other instruments pertaining to the business of the District; be a signatory to the District's accounts; oversee development of meeting agendas; have full voting privileges at all times, vote on any issue, and not need to confine his/her voting to break ties in voting by the Managers.

The Vice President will: discharge the President's duties in the event of the absence or disability of the President and be a signatory to certain instruments and accounts of the District.

The Secretary will: oversee the preparation and distribution of the minutes of all meetings of the District; mail minutes in advance of meeting; suspend oral reading of minutes at regular meeting; certify levies, records and proceedings of the District; maintain all approved and revised meeting minutes at the District office and oversee the preparation and proper notice of all meetings called by District Managers.

The Treasurer will: review the District's financial accounts and records; be a signatory to District's accounts and financial records; arrange for an annual audit of the District's financial records; provide the board with monthly reports of records to describe the financial condition of the District and ensure that receipts are provided for the receipt of all currencies.

Section 5. Conflict of Interest

There are several statutes dealing with ethics in government, ranging from the Ethics in Government Act (M.S. Chapter 10A) to specific prohibitions on public officials having interests in contracts (M.S. Chapter 471.87-89). M.S. Chapter 471.88 allows Watershed Districts to contract for goods and services with an interested officer of the governmental unit in certain circumstances, by unanimous vote of the board. These statutes attempt to ensure that public confidence in elected officials is not eroded by irresponsible or unethical conduct.

The Watershed District and its employees will not engage in conduct that is immoral, unethical or illegal. Both the District and its employees should be respectful of authority and abide fully by employment regulations. Any conflict between personal and private interest should be resolved in favor of the public interest. If a manager is required to take an action or make a decision that would substantially affect the manager's financial interests or those of an associated business, unless the effect on the manager is no greater than on other members of the manager's business classification, profession or occupation, the manager must take the following actions:

- Prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest
- Deliver a copy of the statement to the presiding officer of the board

If a potential conflict of interest presents itself and there is insufficient time to comply, the manager must orally inform the Board of Managers regarding the potential conflict.

The District and its employees will demonstrate professional integrity in the issuance and management of information. They will not knowingly sign, subscribe to or permit the issuance of any statement or report that contains misstatement or that omits any material facts. They will prepare and present information according to accepted practices and guidelines. They will respect and protect privileged information they have access to because of their role. Within the framework of federal, state or local government policy, they will be sensitive and responsive to inquiries from the public.

See Appendix A-4, for a Conflict of Interest Policy and Code of Conduct Policy.

Section 6. District Administrator Roles and Responsibilities

The District Administrator is the primary staff for the Watershed District. The Administrator is a key point of contact for the organization and the public. In this capacity, the Administrator plays the primary role of developing and maintaining positive relationships with agencies and local units of government. This position may be a full or part-time salaried position or a contract position. For information on the designation of "employee versus contract employee, refer to Chapter 8, Personnel Management. The Administrator oversees all the projects of the District and reports to the Board of Managers. Even if the District Managers choose not to hire an administrator, administration needs to be done by the managers.

General Role

The Administrator is responsible for managing the daily operations of the District including but not limited to: hiring and firing staff and providing leadership and guidance, overseeing operations and maintenance of building, capital equipment and administrative needs; keeping official records, filing legal reports and documents, budgeting operations and capital improvement projects, project review and oversight, communicating with the public and public agencies and consultants hired by the District and providing professional support to the Board of Managers. Staff numbers range from one to several. For more information on staffing, refer to Chapter 8, Personnel Management.

Project Management

The Administrator is responsible for the overall management of all projects in the District and provides regular updates to the Board of Managers regarding progress status. The Administrator helps the Board of Managers update annually and follow the guidance of the latest Watershed Management Plan, as authorized under M.S. Chapter 103D. In that role, it is necessary to initiate and maintain effective working relationships with local, state and federal agencies and their representatives.

Planning

The Administrator is responsible for fiscal planning/budgeting and for obtaining the funding (through levies, grants and loans) required to support District operations and the projects listed in the Watershed Management Plan. An annual report must be prepared and provided to BWSR in a timely manner.

Employee Supervision and Management

The Administrator is responsible for hiring, supervising and firing District employees. The Administrator will comply with state and federal regulations and develop an employee manual that specifies employer and employee rights and responsibilities. As the primary office manager, the Administrator is responsible for maintaining an efficient office with professional employees. The Administrator is the public spokesperson and representative of the agency and is responsible for completing and maintaining required records and reports and representing the agency's interests.

Section 7. District Administrator Position Description

The position of the Administrator of the Watershed District is a full or part-time salaried or contract position. The Administrator oversees all of the projects of the District and reports to the Board of Managers, which provides guidance and direction.

General Responsibilities

Manage the Watershed District office including but not limited to:

- Providing leadership and guidance to office staff
- Promoting a positive working environment
- Providing assistance to board committees, as requested
- Generating and presenting complete watershed plans, projects, budgets, solutions and recommendations
- Processing monthly bills and seeking formal approval from the Board of Managers

Manage all projects in the District:

- Review all projects with individual project managers and supervise progress of all projects in the watershed. Projects will be reviewed at a board meeting

- Maintain an excellent working relationship with local, state and federal agencies and representatives as well as with the media
- Follow the Comprehensive Watershed Management Plan

Prepare and implement plans for the District:

- Produce annual reports as required by statute, in a timely fashion
- Develop annual updates of the Comprehensive Watershed Management Plan, with board input
- Identify and budget for equipment, personnel and volunteer support to implement the Management Plan

Prepare budgets, secure funding and monitor budgets for the District:

- Obtain funding required to support the Watershed District office and projects identified in the Management Plan
- Seek and obtain grants, loans and other funding from government, non-profit organizations and corporations
- Provide fiscal oversight of all budgets, with input from the board

Identify staffing needs, hire and monitor the performance of all employees:

- Establish and manage a clear chain of command
- Hire staff, conduct written personnel reviews and provide assistance to help the staff perform well

Manage office operations

- Promote teamwork and a positive work environment
- Develop and complete reports as required
- Represent the Watershed District at meetings hosted by other organizations

Section 8. Hiring a District Administrator

(M.S. Chapter 103D.325)

The Board of Managers may determine that professional staff should be hired to oversee the general operations of the Watershed District. The board needs to determine what its needs are and its ability to hire a part-time, full-time or contract Administrator. A job description needs to be developed and relevant materials should be gathered as part of a packet to be provided to District Administrator candidates. Salary range depends upon location, jurisdiction, District budget, etc. See Chapter 8, Personnel Management, for information on determining appropriate salaries. All laws regarding employment practices need to be followed.

Chapter 3. Meetings and Committees

Section 1. Board Meetings

Each Watershed District determines a board meeting and workshop schedule. The board meetings and workshops should be advertised as open meetings. If possible, the meetings should be held at a consistent time and location. The key to a productive meeting is in developing and following a format consistently. See Appendix C-1 & C-3, The Watershed Board Meeting and Agenda, for more information.

A. Notices

There are notice requirements in M.S. Chapter 13D.04. A schedule of regular meetings must be kept on file in the primary office location of the Watershed District. If a regular meeting is scheduled at a different time or place than usual, public notice needs to be handled as if it were a special meeting. Recessed or continued meetings do not need to be re-noticed, including cases where there is a public meeting. Closed meetings require the same requirements. Notices are required for: regular meetings, special meetings, change of meeting dates and times and public hearings. Generally, public hearings are required for budget review and approval, Watershed District Plan amendments, approval to proceed with a project and rule adoption. See Appendix C-6, Watershed District Noticing Requirements.

B. Special Meetings

There are special meeting notice requirements in M.S. Chapter 13D.04. Unless there is an emergency meeting or a special meeting otherwise required in another statute, the Watershed District must post written notice of the date, time, place and purpose of the meeting on the District's principal bulletin board. If it does not have a bulletin board, the notice should be posted on the door of its usual meeting room.

If an individual filed a written request for notice of a special meeting, the Watershed District needs to mail or deliver the notice to that person at least three days before the meeting is scheduled. An alternative to the targeted mailing is to publish the notice at least three days before the meeting in its official District newspaper (newsletter). If that is not available, the notice can be published in a "qualified newspaper of general circulation" in the District's area.

An individual can file a request for notification only on a certain subject and the District can set an expiration date for this notification. Sixty (60) days before the expiration date of a request for notice, the District must send a notice to the person that the request needs to be refilled.

If an emergency meeting is scheduled, the Watershed District needs to make a good faith effort to contact news media that has filed a written request for notice if the request includes the media's phone number. The notice must include the subject of the meeting.

C. Resolutions

A motion is considered a parliamentary procedure. Motions can be used to introduce resolutions and actions, amend them or take other actions. As defined by Webster's

Dictionary, a resolution is “a decision as to future action, a formal statement adopted by a group, a solution to a problem.” Resolutions can be used for any action that is temporary, routine or administrative in nature. Courts may view motions that are approved and recorded as the equivalent of resolutions.

The purpose of a resolution is to provide support for an issue or action or to acknowledge a special event. The format can vary, but generally includes the following:

WHEREAS, Should clearly spell out what the problem is. It should justify the THEREFORE, BE IT RESOLVED part of the resolution. Use as many WHEREAS statements as necessary to explain the problem. The THEREFORE, BE IT RESOLVED portion of the resolution should clearly spell out exactly what it is that you want to achieve. If you have clearly spelled out the problem in the WHEREAS portion, this will be a natural step.

D. Minutes

The purpose of meeting minutes is to provide an official record of discussion and actions taken by the Board of Managers. They should be complete enough that upon review, one can understand discussion and actions taken. See Appendix C-4, The Watershed Board Meeting and Regular Meeting Minutes, for more information.

E. Request for Agenda Time

An individual can request to be on the agenda by contacting the Watershed District at least one week prior to the scheduled meeting. The request for agenda time must state the topic or topics to be discussed, identify the individual(s) to be presenting information and an estimate of presentation time needed. The president of the Board of Managers will review all requests for agenda time and will determine whether an item will be granted time on the agenda.

Requests for agenda time should describe the proposed topic or topics in sufficient detail to permit analysis of the request, and if a request for agenda time is considered too broad or vague, it will be returned to the submitter for more information. All requests for agenda time will be considered on a case-by-case basis, taking into account available time and resources, prior consideration of similar issues, the extent to which the proposed agenda item is within the Watershed District’s jurisdiction and statutory authority and the perceived need for priority of action upon the specific proposed item.

The individual(s) should be encouraged to make comments during the “comments from the public” portion of the meeting rather than adding a specific agenda item.

F. Developing Bylaws

(M.S. 103D.315 Subd. 11)

The statute requires managers to adopt bylaws for the administration of the business and affairs of the Watershed District. The bylaws adopted under this subdivision are not required to meet public meeting notice requirements for rules as listed in M.S. 103D.341.

See the Appendix C-2 for a Bylaws Example.

Section 2. Roberts Rules of Order

Roberts Rules of Order was first created in 1915 to provide common rules and procedures for deliberation and debate (parliamentary procedure) in order to conduct the business of the organization. Use Roberts Rules of Order to help restore order in an unruly meeting. Generally, the order of business using parliamentary procedure is as follows:

1. The meeting is called to order by the president
2. Roll call (if used)
3. The minutes of the previous meeting may be referred to by the secretary and may be approved as read, or may be approved with additions or corrections
4. The president states that the monthly statement of the treasurer is “received as read and filed for audit.” No motion of approval is necessary
5. Reports of standing committees are called for by the chair
6. Reports of special committees are called for by the chair
7. Unfinished business is next in order at the call of the chair
8. New business is called for by the chair
9. If the meeting is an annual or special meeting, the program follows. The program is considered part of the meeting. The chair presides throughout the meeting

This is a summary version of Robert’s Rules, written by Beverly Kennedy for the website www.robertsrules.org. More information can be found in the Appendix C-5, The Watershed Board Meeting and Robert’s Rules of Order-Summary Version.

Section 3. Public Hearings

Official notice is required for all public hearings. Generally, public hearings are required for budget review and approval, Watershed District Plan amendments, approval to proceed with a project and rule adoption. When required by statute, the Watershed District should comply with the requirements to conduct a public hearing.

Listed below is a general outline for a Watershed District to use for conducting public hearings. The steps identified can be modified to meet specific needs:

1. The chair formally calls public hearing to order promptly at the published time and states the purpose of the public hearing. The chair explains hearing process to the audience.
2. The chair states for the record that the notice of the meeting was given on the (day) of (month) of (year) in the (place) at least 10 days in advance of the hearing as required by the applicable state statute.
3. If a large number of speakers are anticipated, the chair may state that all those persons interested in making a statement must sign in on the speaker roster for the record. Speakers may be called in order if the chair chooses.
4. The chair asks for staff/consultant presentation on the proposed project or activity and staff recommendations.

5. The chair asks for clarification questions from Watershed District Managers and then citizens.
6. The chair calls on the applicant, if it is a permit, or petitioners, if a petition, to make a brief statement. Then, individuals interested in making a positive statement for the record are invited to come forward. Finally, those persons interested in making a negative statement for the record are invited to testify.
7. Questions from the managers or the audience concerning a particular statement should be addressed to the chair.
8. The chair may ask for any other statements or remarks from managers, staff, or members of the audience before closing the hearing. The chair then summarizes the issue(s) expressed at the hearing.
9. The chair accepts a motion to officially close the hearing or continue the hearing for further testimony at a later date.
10. The chair explains that the Watershed District Board of Managers will deliberate and make a decision on the issue at this time or at a specific future date.
11. When a decision is reached, a motion or resolution, which includes the findings/reasoning of the decision makers, will be offered at that time by a manager. The chair restates or asks the clerk to restate the motion or resolution prior to voting.

Section 4. Citizen and Other Advisory Committees

Citizen Advisory Committee (CAC)

(M.S. Chapter 103D.331)

The statute requires managers to appoint an advisory committee annually to advise and assist the managers on all matters affecting the interests of the Watershed District and to make recommendations to the managers on all proposed projects and improvements within the District. It must consist of at least five members. If possible, the members should include representatives from the following: each SWCD; each county; a sporting organization and a farming organization. The members must live in the Watershed District except for representatives of the SWCD and the county. In addition, the managers may appoint other interested and technical persons who may or may not reside within the watershed district to serve at the pleasure of the managers. The members serve at the will of the Board of Managers.

In order to fulfill their role, citizen advisory committees elect a chair and recorder from its membership; establish a meeting schedule and meets at least annually; consider issues pertinent to the functions and purposes of the Watershed District; review and comment on reports, minutes, activities and proposed Watershed District projects and report to the managers on the general content of the advisory committee meetings and recommendations made.

Minnesota Rule 8410.0030, 1G. requires that metropolitan Watershed Districts must develop a procedure to establish citizen and technical advisory committees or other means of public participation.

BWSR's fact sheet regarding Citizen Advisory Committee (CAC) Formation indicates that the most important thing for successful CAC is to have a definite committee role. (See the Appendix B-2 for more information). They need to know the role they play and the value they are adding to the watershed management process. They need to know their relationship to the Board of Managers and how they related to the wider public.

The CAC should be formed three months before they are needed. It usually takes one month to form a CAC and two months for the members to get comfortable in their new roles. These roles could include: identification of water resource issues; assisting in establishing program goals; assisting the board in considering issues; serving as a "sounding board" for the board; communicating between the Watershed District and community; carrying out watershed information and education activities; collecting information and data; generating new ideas and approaches and carrying out delegated board of manager responsibilities.

Section 5. Compensation for Volunteers

Volunteers can be reimbursed for actual traveling and other necessary expenses incurred in the performance of duties in the amount provided for state employees.

Section 6. Open Meeting Law

(M.S. Chapter 13 D)

Meetings of Watershed Districts are considered "public meetings." Managers should consider the meeting as "public" unless it is allowed to be closed under statutory law. The public has the right to attend the meeting and observe the transaction of public business. If there is any question whether a meeting can be legally "closed" to the public, contact an attorney.

At least one copy of any printed materials relating to the agenda items of the meeting and what is included in the board members' packets before and at the meeting must be available for inspection by the public at the meeting.

Votes on motions need to be recorded in a journal kept for that purpose and open to the public for review. Meetings can be held by interactive television if at least one member is at the regular meeting location that is open and accessible to the public. All members of the body must be able to see and hear each other and the testimony presented.

Closed Meetings

Meetings *may* be closed for the following reasons:

- To evaluate the performance of an individual who is subject to its authority (probably an employee), provided that the individual is identified prior to closing the meeting. The meeting must be recorded and the recording retained for at least three years. After reconvening in open session, or at the next meeting, the chair must summarize the board's conclusion regarding the evaluation. The meeting must be open at the request of the individual who is the subject of the meeting
- To consider strategy for labor negotiations. There must be a motion and a majority in favor of closing the meeting
- If expressly authorized by statute or permitted by attorney-client privilege

Meetings with data not classified as public may be discussed at a meeting if the disclosure relates to a matter within the scope of the public body's authority as is reasonably necessary to conduct the business or agenda item before the public body.

Meetings *must* be closed if required by other law or if the following types of information will be discussed:

- the data would identify alleged victims or reporters of sexual conduct, domestic abuse or maltreatment of minors or vulnerable adults
- active investigation data or internal data relating to allegations of law enforcement personnel misconduct collected or created by a state agency, statewide system or political subdivision
- educational, health, medical, welfare or mental health data that are not public data
- for preliminary consideration of allegations or charges against an individual subject to the board's authority, unless the individual requests that the meeting is open. If members conclude that discipline may be warranted, further meetings must be open.

Notice requirements must be followed for a closed meeting.

A reason that meetings *cannot* be closed is:

- to discuss data classified as "not public data," which means any government data that is classified by statute, federal law or temporary classification by the state Department of Administration as confidential, private, nonpublic or protected nonpublic. This data may be discussed at a public meeting providing that it relates to a matter that falls within the scope of the board's authority, is reasonably necessary to conduct the business or agenda item before the board and is done without malice. During such a meeting, however, the board must make reasonable efforts to protect "not public data" from disclosure, including acting by referencing a letter, number or in some other way concealing the identity of the data subject.

Section 7. Public Data Request Policy

A Watershed District's files are open to the public unless classified as restricted under state or federal law. The Administrator of the Watershed District should be designated as the official record keeper. Districts can ask individuals to schedule an appointment ahead of time to ensure that staff will be available to gather the information.

If copies of information are requested, the Watershed District can charge for searching, retrieving, compiling and copying costs. A charge should not be included to separate public from not public data. The charges should be justifiable. If reproduction of slides, large maps, plan sheets, videotapes, etc. is requested, prices may vary. All estimated charges could be billed in advance. No charges should be assessed if the files are inspected and no copies are requested.

If a request for data involves any person's receipt of copies of data that has commercial value and is a substantial and discrete portion of an entire formula, pattern, compilation, program, device, method, technique, process, database or system developed with a significant

expenditure of public funds by the Watershed District, the District could charge a reasonable fee for the information in addition to the costs of making, certifying and compiling the copies.

If the Watershed District determines that the requested data is classified and access will not be allowed, the Watershed District will inform the individual requesting that information as soon as possible, citing the legal basis for the denial.

See the Appendix B-4 and C-6 for an example of a Public Data Request Policy.

Chapter 4. Watershed Planning and Rules

Section 1: The Watershed Management Plan (for 103D Districts)

(M.S. Chapter 103D.401 and 405)

The watershed management plan is one of the Watershed District's (WD's) most important tools for identifying problems and long and short-term strategies and goals. The plan sets details the goals and policies of the Watershed District and establishes the basis for the WD's regulations and funding authority.

An outdated or noncompliant plan can provide a basis for appeals to permits and orders issued by the District, as well as any assessments and taxes the WD may levy. The plan must be revised once every ten years after the original watershed management plan is approved. The plan must conform closely with the adopted management plan guidelines of the Board of Water and Soil Resources (BWSR).

Each revised Watershed District plan must include the following elements:

- updates and supplements of the existing hydrological and other statistical data of the Watershed District
- specific projects to be completed
- a statement of the extent that the purposes for which the Watershed District was established have been accomplished
- a description of problems requiring future action by the Watershed District
- a summary of completed studies on active or planned projects, including financial data
- an analysis of the effectiveness of the Watershed District's rules and permits in achieving its water management objectives in the Watershed District

In addition to the required plan content, the BWSR encourages Districts to expand their plans to include:

- an inventory of pertinent information on the District that describes the watershed's setting and hydrologic characteristics
- a description and assessment of existing and potential water and water-related problems
- a description and assessment of possible solutions to high priority problems
- a statement of the broad goals and the specific objectives for water management within the District
- a list of District policy statements that define the District's role in managing water and water-related resources, and that establish District performance standards for sound water management

The District must submit the plan to the following organizations and people:

- the county board and county auditors of counties affected

- the BWSR
- the director of the Division of Waters of the Department of Natural Resources
- municipalities in the District
- SWCDs in the Watershed District
- the Metropolitan Council, if the District is in the metropolitan area

The BWSR must give proper notice of and hold a hearing on the plan, unless it is noncontroversial and specific notice and procedural requirements are followed, in which case the BWSR may approve a plan without a hearing (M.S. Chapter 103D.105, Subd. 2). Amendments to the plan may be initiated by the managers at any time; they must be approved by the BWSR.

Consistency with Other Plans

Because virtually all counties in greater Minnesota have adopted county-wide comprehensive water management plans, Watershed District plans and these county-wide plans must be consistent with each other. Any revisions of either plan should be coordinated with the administrators of the other plan.

Procedure to Amend a Watershed Management Plan

A watershed must prepare plan amendments in accordance with M.S. Chapter 103D.411. In general the following steps are required.

1. Watershed District prepares plan amendment. After the plan amendment is prepared the Watershed District initiates the plan amendment procedure by submitting a petition along with a copy of the proposed amendment to BWSR.
2. At the same time that the District sends the proposed amendment to BWSR it must also send a copy of the proposed amendment to the county board(s), county auditor(s), municipality (ies) and soil and water conservation district(s) having territory within the boundary of the proposed water management district; the DNR, Division of Waters director, and the Metropolitan Council, if applicable. Although not required it's recommended that the proposed amendment be sent to the Minnesota Pollution Control Agency regional director.
3. Within sixty (60) days of receiving the proposed amendment, the DNR Division of Waters director and the Metropolitan Council, if applicable, must review and make recommendations on the proposed amendment. The director and council must send the recommendations to the board, and a copy to the managers, the county auditor of each county affected by the District, the governing body of each municipality affected by the District, and each soil and water conservation district affected by the District.
4. Within forty-five (45) days of receiving the director's and, if applicable, the council's recommendations, BWSR must give notice and hold a hearing on the proposed amendment. If BWSR determines the proposed amendment to be non-controversial it may provide notice to that effect. If a non-controversial procedure is used by the board a hearing will be held only if one or more people request a hearing on the proposed amendment.

5. BWSR must notify by mail the county auditors and municipalities officials affected by the Watershed District.
6. After the hearing, BWSR may, by order, approve or prescribe changes in the amendment. The amendment becomes part of the watershed management plan after approval by the board. BWSR must send the order and approved amendment to the following: the Watershed District; affected county board(s), municipality (ies) and soil and water conservation district(s), the DNR, and, if applicable, the Metropolitan Council.

There are Restrictions

- Revenue generated from a storm water utility fee cannot be spent directly on a public drainage system for its maintenance, repair, or improvement
- Watershed Districts cannot use storm water utility fees to fund sewage disposal or drinking water systems

Section 2. Metropolitan Watershed Management Act Plans (for Districts in the Seven County Metropolitan Area)

See M.S. Chapter 103B.201-103B.255 for more information.

Metropolitan area Watershed Districts must develop their plans in compliance with the laws and regulations governing Watershed Districts, an additional set of laws governing water management organizations (WMOs) and metropolitan area Watershed Districts (M.S. Chapter 103B) and regulations. Generally speaking, the requirements governing WMOs and metropolitan area Watershed Districts are more specific than those governing all Watershed Districts.

In addition to the previously given requirements, metropolitan area Watershed District plans must contain the following elements:

- a description of the existing physical environment, land use and development in the area
- information on the hydrologic system
- objectives and policies
- water quality goals
- a description of the effects of the plan on existing drainage systems
- identification of high priority wetlands
- a description of any conflicts with existing local government plans
- an implementation program and a capital improvement program
- a procedure for amending the plan

Minnesota Rules Chapter 8410.0140 provides more specific guidance for plan content and plan amendments. The rules establish a structure for the planning process and require close coordination with state, federal, and local agencies during the plan development process. The rules have the force of law.

The BWSR, in consultation with other state environmental agencies, develops and maintains a priority schedule for required plan revision under M.S. Chapter 103B. Plans must specify the period of time covered by the plan which must be not less than five (5) years but not more than ten (10) years.

Metropolitan Area Watershed District Plan Review

To ensure that the plans are coordinated with other local government and agency plans, the following municipalities within the Watershed District boundaries must review them:

- counties
- SWCDs
- towns
- statutory and home rule charter cities
- adjoining WMOs and Watershed Districts

Other organizations that review the plans are:

- the Metropolitan Council
- the commissioner of the MDA
- the commissioner of the DNR
- the commissioner of the Department of Health
- the commissioner of the Pollution Control Agency
- the BWSR

Following review by the agencies and local units of government, and approval of the plan by the BWSR, the metropolitan area Watershed District must adopt and begin to implement its plan within 120 days.

Metropolitan Area Watershed District Plan Amendments

(M.S. Chapter 103B.231 Subd. 10)

Metropolitan area Watershed District plan amendments must be submitted to local governments and state agencies for review.

Metropolitan Area Watershed Plan Grievances

Anyone who believes that the Watershed District has not complied with the terms of the Watershed District plan can appeal his or her case to the BWSR.

Consistency With Other Plans

As with all Watershed District plans, metropolitan area Watershed District plans must be consistent with county groundwater plans.

Local Water Management Plans

(M.S. Chapter 103B.235)

After the preparation of a metropolitan area Watershed District plan, each of the local units of government within the Watershed District area must prepare a local water management plan that conforms with the metropolitan area WD's plan. These local water management plans must contain:

- a description of existing and proposed physical environment and land use
- definitions of drainage areas' volumes, rates and stormwater paths
- identification of areas and elevations for stormwater storage adequate to meet the WD plan
- identification of water quality and water quality protection methods adequate to meet the WD plan
- identification of regulated areas
- an implementation program

All local surface water management plans must be approved by the metropolitan area Watershed District. The local unit must adopt and implement its plan within 120 days of Watershed District approval.

Minnesota Rules Chapter 8410.0160 provides additional specific guidance for the content of local watershed plans.

NOTE: A word of caution is appropriate here. M.S. Chapter 103D.335, Subd. 23, in conjunction with M.S. Chapter 103B.211, Subd. 1, may potentially prevent a WD from exercising its land use controls (permitting and enforcement of regulations) if, after the WD approves a local plan, the local governmental unit (LGU) declines to authorize the WD to continue to enforce its regulations within the subject LGU. Due to this clause, Watershed Districts should be quite specific as to what regulations a member LGU must adopt and enforce as part of implementing its local plan. Further, Watershed Districts should include some mechanism for oversight should an LGU fail to enforce such regulations or grant variances directly in conflict with the WD's policies and goals. There are a number of ways to provide for this oversight, including:

- a joint powers agreement
- a memo of understanding between parties
- through an administrative procedural requirement that keeps the WD in the review process of specific projects (i.e., those that might require a variance)

Section 3. Dispute Resolution Processes

Through the Local Water Planning and Management Program, local units of government can ask for a meeting with the chair of the BWSR to resolve a dispute regarding a water plan. Watershed District decisions and rules may be appealed to the BWSR under the authority of M.S. Chapter 103D.535 and 103D.537. Projects that are initiated and financed by Watershed Districts wholly within the metropolitan area under a state-approved and locally-adopted

surface water management plan under M.S. Chapter 103B.201 are not reviewable under this statute.

In addition, Watershed Districts can design an internal permit dispute resolution process that will help ensure that conflicts regarding permitting do not escalate and force the District to go to court.

A Watershed District can develop “guiding principles” for developing a dispute resolution process, such as:

- District Managers will act in “good faith” to represent the best interests of its constituents
- Managers will treat all participants in the process with respect
- Participation in the District’s process is voluntary
- A disputant reserves a constitutional right to seek redress through other options

Section 4. Facilitation Methods

It is in the best interest of the Watershed District to conduct meetings and hearings in an efficient and effective manner. If necessary, a neutral facilitator could be hired to assist the Board of Managers with meetings. There are a number of resources available online to provide meeting facilitation tools.

In a special-purpose public meeting, it is recommended that a strategy be developed to guide the meeting, goals should be set and a definite time schedule developed. Building trust and cooperation in the meeting can be achieved by developing collaborative ground rules that will help ensure that participants will be treated equitably. Participants should be encouraged to make meaningful contributions to the discussion in ways that ensure progress is made and the meeting ends on time.

Section 5. Annual Reporting and Work Plan

(See M.S. Chapter 103D.351 and Minnesota Rules 8410.0150 for more information).

All Watershed Districts must prepare a yearly report of the financial conditions of the Watershed District, the status of all projects, the business transacted by the Watershed District and other matters affecting the interests of the Watershed District. In addition, the work plan for the next year must be included. A work plan designates program categories and work tasks or projects within each category each fiscal year.

Copies of the report must be provided to the BWSR, the Commissioner of the Department of Natural Resources and the director of the Division of Waters of the Department of Natural Resources. In addition, each Watershed District must have a yearly audit of its books completed by the state auditor or a public accountant.

Metropolitan area Watershed Districts’ annual reports must have financial, activity and audit reports.

The annual financial report must contain:

- the approved budget
- revenues
- expenditures
- a financial audit report or section

The annual activity report must contain:

- a list of the Watershed District's board members, advisory committee members and board member vacancies at the end of the reporting year. This includes contact information
- a list of organization employees and consultants, along with mailing addresses and telephone numbers
- a review of the previous year's goals and objectives and whether or not they were achieved
- a projected work plan for the next year, with goals and objectives
- a summary of the permits or variances issued and any enforcement action initiated by the Watershed District or its local units of government
- a summary of water quality monitoring data collected by the District or its local units of government
- an evaluation of the status of local plan adoption and implementation based upon a review of the previous year's activities
- a summary of the Watershed District's efforts to establish and/or monitor stormwater and drainage design performance standards
- activities related to solicitations for interest for legal, professional or technical consultant services (as defined under M.S. Chapter 103B.227, subdivision 5)
- assessment of changes in fund balances
- the status of any locally adopted wetland banking program

Non-metropolitan area Watershed Districts may want to use this information in their annual reports as well, especially as a guide for the types of information that will assist managers in their review of the past year and planning for the next one.

Section 6. Annual Meeting

Annual meetings of a Watershed District are optional.

Section 7. Rules and Regulations

(see 103D.341, 103D.345, and 103B.211)

Once a watershed management plan has been approved by the State and locally adopted a watershed district must adopt rules to accomplish its purposes and to implement the powers of the managers to regulate the use and development of land. Rules are typically implemented and enforced through the issuance of a permit. The Board of Managers, at its discretion, may require the applicant to appear before the board to give any testimony necessary for the board

to make a decision. If the permit is issued, the applicant must abide by all of the conditions of its issuance and be responsible for timely notification regarding when work begins so that proper observation and inspection can be made. If it is necessary for watershed staff or a consultant to review the application and all exhibits and view the site, fees may be charged.

Permit Escrow Guidelines

An escrow deposit or bond can be requested from a developer to cover the costs of the Watershed District's review, administrative and inspection costs. It must be filed with the District prior to the issuance of the permit. When the work is completed in a satisfactory manner, the bond or escrow deposit will be released to the applicant, minus any charges. If the work is of the nature that the fact of acceptable completion is difficult to determine immediately after the project is completed, the District may retain the bond or escrow deposit up to six months. If the Watershed District determines that the work is not acceptable, the bond or escrow will be forfeited and the District will complete the work using those funds. In addition, an application fee that is set annually by the Board of Managers can be required. A letter of credit can also be required to ensure the project is completed in accordance with the District's rules and regulations. If the District determines that it is necessary to monitor an activity authorized by the permit, all monitoring costs may be charged and collected from the permit holder.

A District should have proper accounting practices in place for managing permits escrow and surety. See Appendix B-6 for surety/escrow management policy.

Chapter 5. Annual Programs

Section 1. Monitoring and Data Acquisition

Most Watershed Districts should develop an annual monitoring program to collect physical, biological and chemical information on its water resources. The data can be used to assess the health of the resources and determine if additional management activities are necessary. The annual program could include in-lake monitoring; water levels of all District lakes and after major storm events and tributary/outlet monitoring.

The District needs to determine the purpose for data collection, set quality assurance/quality control objectives and design a plan. The Survey and Data Acquisition Fund can be set up by the managers and is designed to pay for making necessary surveys and acquiring data. See Chapter 6 for more information on this fund.

Metropolitan Watershed Districts can participate in the Citizens Assisted Monitoring Program (CAMP), a volunteer monitoring program that provides historical baseline data to help document water quality impacts.

In 2003, the Minnesota Pollution Control Agency published its Volunteer Surface Water Monitoring Guide to discuss goals and processes that help ensure that monitoring data acquired through volunteer programs meets quality assurance and quality control (QA/QC). One of the challenges facing water resource managers is a lack of data necessary to understand the quality of Minnesota's surface water resources. Volunteers have taken an active role in monitoring Minnesota's resources since the 1970s.

Section 2. Education and Outreach

Public education and outreach is a key element to the success of Watershed District projects. An education and outreach program could include items such as: a media plan to widely distribute news releases and project reports; developing local school programs; developing fact sheets and newsletters and adding this information to the District's website; creating workshops and developing information for local businesses and establishing a stewardship program to fund local initiatives. Ongoing efforts will help build District recognition and trust.

If the District wants to reach a wider audience for its revised watershed plan review, there are several ideas BWSR identified in one of its fact sheets:

- Conduct several small gatherings with key interest groups. Share plan content and ask for comments
- Invite the public to attend an open house. Offer refreshments, have displays, explain the plan and record comments. This can be in conjunction with media outreach
- Work with the local newspapers to create a one page feature on the draft plan, showing maps, key projects and budgets. Provide a way for the public to provide feedback

- Create a brochure or flyer that would be mailed directly to households
- Prepare a public information piece for public access TV. A high school class could be asked to produce the show
- In newspaper features or direct mail pieces, advertise the availability of e-mail address or phone numbers where comments can be sent
- A public hearing is required as part of the plan review process. Make the event as informative and assessable as possible
- Develop a website for your constituents to find out about who you are and what you do. Include names of managers and staff, contact numbers and e-mail addresses, meeting dates, time and location, information on projects, water plans, etc.

MAWD Web Site

The MAWD web site ("<http://www.mnwatershed.org>") provides basic information for Watershed Districts and to the general public about Watershed Districts and where they are in the state. It is also available to Watershed Districts to utilize if desired. Space on the MAWD site has been dedicated to each Watershed District that does not have its own site.

The MAWD office will update each individual Watershed District site at no cost as requested by the Watershed District staff. Watershed District constituents can be directed to the MAWD website, and then to the alphabetical list of Watershed Districts at "Where is my Watershed District?"

A basic, yet complete Watershed District web site should contain the following:

- a. Office phone numbers
- b. Email address
- c. District address & (office address if different)
- d. District meeting dates, times, locations, etc.
- e. District staff with phone numbers & email address.
- f. Other District contractors (attorney, engineer, etc.)
- g. Board of managers with title, address, and phone numbers.
- h. Projects (completed & under construction).
- i. District rules with permit applications
- j. District Plan

In the Appendix E-2, there is an example of a good basic Watershed District web site which will provide constituents with the information they will generally need to find out about the District and what it does. This is not a complete list, but on a good web site, the list is never complete.

Section 3. Water Resource Protection Grants & Loans

Water resource protection can be assisted through a multiple source funding effort. Besides taxing and assessments, Watershed Districts can receive money from various state and federal grant and loan programs. The following provides a brief overview of current grant programs. Since funding to these programs can change on an annual basis, the District should verify the program is still active.

Clean Water Fund Implementation Team: Agency Program Funding Matrix

Date: October 4, 2010

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
BWSR	Clean Water Fund Competitive Grants	Non-point source best management practices installed in critical areas that improve water quality and increase hydrologic function.	Projects or practices identified in a State approved water plan or a state approved TMDL implementation plan.	Shoreland Management/ Buffers; SSTS; Feedlots; Drainage; Cropland and Pasture BMP/Ag. Runoff Reduction; Wetlands; Groundwater and Wellhead Protection; Stormwater - Urban; Planning/ Analysis/Modeling/Inventory/Modeling; Technical Assistance	WMOs, WDs, SWCDs, Counties, Cities, and joint powers boards of these organizations
BWSR	Clean Water Fund Buffer Easements	Purchase and restore permanent conservation easements on riparian buffers adjacent to public waters, except wetlands.	Preference given to enroll current CCRP contracts during FY10.	Conservation Easements/Land Acquisition; Shoreland Management/Buffers	SWCDs
BWSR	Clean Water Fund Well Head Protection Easements	Permanent conservation easements in well head protection areas.	Projects must be located in a MDH identified vulnerable well head protection area. BWSR worked with MDH and MDA to determine priority sites.	Conservation Easement/Land Acquisition; Groundwater and Wellhead Protection	SWCDs
BWSR	State Cost Share Program	Cost shared BMP installations	High Priority Erosion control or water quality projects in areas identified in SWCD comp plans or CLWMP used as comp plans	Shoreland Management/ Buffers; Feedlots; Cropland and Pasture BMP/Ag. Runoff Reduction; Wetlands; Stormwater - Urban; Technical Assistance	SWCDs
BWSR	RIM Program	Permanent Conservation Easements	Riparian areas with cropping history; coordination with WRP and CRP.	Conservation Easements/Land Acquisition; Habitat	SWCDs

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
BWSR	Non-point Technical Assistance	Assist LGUs and NRCS with installation of cost-shared BMPs	Engineering design assistance for State Cost share, EQIP and CWF funding.	Technical Assistance; Planning/Analysis/Modeling/ Inventory/Monitoring	Technical Service Areas (SWCD JPA)
BWSR	Natural Resource Block Grant	Shoreland and WCA administration; CLWMP coordination and BMP installation	Implementation of current, approved and locally adopted Local Water Management plan	Shoreland Management/ Buffers; SSTS; Feedlots; Wetlands; Regulation-Local; Planning/Analysis/Modeling/ Inventory/Monitoring; Technical Assistance	Counties (may delegate to SWCD)
BWSR	SWCD Services Grants	Supports general operations of SWCDs, and easement monitoring	Planning, reporting, operational support, and easement monitoring	Technical Assistance	SWCDs
DNR	Metro Greenways	Planning, land cover mapping, acquisition and restoration of natural open space areas	Community assistance for natural protection	Shoreland Management/Buffers; Wetlands; Woodland/Forestry; Habitat; Groundwater and Wellhead Protection; Stormwater - Urban; Conservation Easement/Land Acquisition; Planning/Analysis/Modeling/Inventory/Monitoring; Technical Assistance	Cities primarily
DNR	State Wildlife Grants	Data collection, research	Investments in habitat for species of greatest conservation need	Shoreland Management/Buffers; Wetlands; Woodland/Forestry; Habitat; Planning/Analysis/Modeling/Inventory/Monitoring	Primarily internal to DNR with some awards to NGO partners
DNR	Urban and Community Challenge Grant Program/Minnesota a Re-Leaf	Tree planting, planning and technical assistance	Assisting with urban forestry initiatives that provide energy, conservation and water quality improvement	Shoreland Management/Buffers; Woodland/Forestry; Habitat; Stormwater - Urban	Communities

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
DNR	Coastal Zone Management	Technical assistance and grants	Sustainable management of coastal areas	Shoreland management/Buffers; wetlands; Habitat; conservation Easement/Land Acquisition; planning/Analysis/Modeling/Inventory/Monitoring; Social Sciences – Behavior Change	State, local governments& NGO
DNR	River Restoration/Stream Habitat Restoration	Stabilize stream habitat in degraded stretches particularly associated with dam removal projects.	Sound design of river restoration projects	Shoreland Management/Buffers; Habitat; Technical Assistance	Local units of government, state, landowners
DNR	Shoreland Habitat Restoration	Assistance to landowners in re-establishing healthy shorelines	Demonstration areas and technical assistance	Shoreland Management/Buffers; Wetlands; Habitat; Conservation Easement/Land Acquisition; Planning/Analysis/Modeling/Inventory/Monitoring; Technical Assistance	Landowners and LGUs
DNR	Flood Damage Reduction	Removal of structures from high risk floodplain areas	Structures at greatest risk	Flood Response and Management; Conservation Easement/Land Acquisition; Regulation – Local; Planning/Analysis/Modeling/Inventory/Monitoring; Technical Assistance	Property owners who are in floodplain
DNR	Dam Safety	Dam repairs/removal	Those in greatest need with highest risk for loss of life and property damage, ecosystem impacts	Regulation – Local ; Planning/Analysis/Modeling/Inventory/Monitoring; Technical Assistance	Public dam owners
DNR	Natural Scenic Area Grant Program	Protect natural and scenic areas	Protect and enhance natural and scenic areas in fee title or permanent easement	Wetlands ; Woodland/Forestry; Habitat; Conservation Easement/Land Acquisition	Cities, counties, townships and school districts

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
DNR	RIM Critical Habitat Match Program	Critical habitat protected	Critical habitat parcels	Shoreland Management/Buffers; Cropland and Pasture BMP/Agricultural Runoff Reduction; Wetlands; Habitat; Groundwater and Wellhead Protection; Conservation Easement/Land Acquisition; Technical Assistance	Private individuals and groups
DNR	Prairie Bank	Native prairie parcels protected	Cost-sharing with landowners to preserve native prairie parcels	Shoreland Management/Buffers; Cropland and Pasture BMP/Agricultural Runoff Reduction; Wetlands; Habitat; Groundwater and Wellhead Protection; Conservation Easement/Land Acquisition; Technical Assistance	Private landowners
PFA	Clean Water Revolving Fund	Loans to local governments for public wastewater and stormwater infrastructure improvements that meets permit requirements and protect/improve water quality	Priorities set according to MPCA's Project Priority List (PPL) based on environmental and public health criteria established by rule (Minn. Rule Ch. 7077)		Cities, counties, townships, sanitary districts
PFA	Wastewater Infrastructure Fund	Supplemental assistance grants for high priority, high cost wastewater projects	Priorities set according to MPCA's Project Priority List (PPL) based on environmental and public health criteria established by rule (Minn. Rule Ch. 7077)		Cities, counties, townships, sanitary districts

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
PFA	Total Maximum Daily Load Grants Program	Grants for improvements to municipal wastewater and stormwater systems to meet TMDL requirements	Priorities set according to MPCA's Project Priority List (PPL) based on environmental and public health criteria established by rule (Minn. Rule Ch. 7077)		Cities, counties, townships, sanitary districts
PFA	Phosphorus Reduction Grants Program	Grants to reduce phosphorus discharge from municipal wwt facilities to 1 mg/l or less.	Priorities set according to MPCA's Project Priority List (PPL) based on environmental and public health criteria established by rule (Minn. Rule Ch. 7077)		Cities, counties, townships, sanitary districts
PFA	Small Community Wastewater Treatment Program	Grants and loans for publicly-owned SSTS treatment systems in unsewered communities	Priorities set according to MPCA's Project Priority List (PPL) based on environmental and public health criteria established by rule (Minn. Rule Ch. 7077)		Cities, counties, townships, sanitary districts for small unsewered areas - typically less than 30 households
PFA	Drinking Water Revolving Fund	Loans to cities for improvements to municipal drinking water systems.	Priorities set according to MDH Project Priority List (PPL) based on public health criteria		Cities, other public water suppliers
Rural Finance Authority	Agricultural Improvement Program	Loans for capital improvements to farmland or farm structures that improve efficiency or productivity, <i>including many types of water quality improvements.</i>	N/A (funding is noncompetitive)		Farmers

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
Rural Finance Authority	Livestock Expansion Program	Loans to improve livestock facilities, <i>including manure storage and handling</i>	N/A (funding is noncompetitive)		Farmers
Rural Finance Authority	Livestock Equipment Pilot Loan Program	Loans to livestock operations for modern equipment related to animal husbandry, <i>often including components that improve water quality</i>	Water quality is not a priority, but certain eligible equipment is the same as that funded by water quality programs (e.g., fencing, watering facilities, manure handling equipment, manure storage facilities, haying equipment).		Farmers
MDA	Sustainable Agriculture Loan Program	Loans for equipment to help farmers reduce chemical and energy inputs, <i>often in ways that improve water quality</i>	Capital purchases that improve a farm's environmental and economic viability at the same time, for highly transferable practices. Water quality is not a priority, but many eligible purchases enable water quality practices such as rotational grazing, tree planting, cover crops, soil erosion control, low/no herbicide weed control, and alternative fertilizer management .		Farmers

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
MDA	AgBMP Loan Program	Implementation of NPS best management practices, including upgrades to septic systems and wells in addition to agricultural conservation practices.	Base funding provided to all participating LGUs by formula, with additional funds available based on water plan priorities. All practices must implement a local water plan. All CWF \$ must also implement practices recommended in an approved TMDL Implementation Plan and sited within the associated treatment area.		Counties, SWCDs and joint powers organizations direct funds to farmers and other rural landowners, farm supply businesses, and water quality cooperatives for approved projects
MPCA/ PFA	Clean Water Partnership Grant and Loan Program	Non-point source pollution control projects (diagnostic studies and implementation) which protect and improve state	Protection projects that prevent impairments and degradation to Minnesota waters.		Counties, cities, townships, tribes, watershed districts, and watershed management organizations.
MPCA	Federal Section 319 Grant Program	Non-point source pollution abatement and water resource restoration projects (development/ education/research, & implementation) that improve state water bodies.	Project or practices that address action steps in the state Non-point Source Management Program Plan or a state approved TMDL implementation plan.		SWCDs, tribes, cities, counties, regional development centers, local school systems, colleges/universities, local nonprofit orgs., state agencies and individuals.

Agency	Program or Fund Name	Outputs	Priorities	Eligible Activities	Recipients
MDH	MDH Source Water Protection Plan Implementation Grant	All types of implementation activities to improve or protect sources of water for public water supplies	Projects or practices identified in a State approved wellhead protection plan or an endorsed intake protection plan.		Public water suppliers
MDH	MDH Source Water Protection Competitive Grant	Supports the management of a potential contamination source that presents a high risk to the source of drinking water.	Projects that MDH and public water supplier's view as posing a high risk.		Public water suppliers
MDH	MDH Source Water Protection Transient Noncommunity System Competitive Grant	Supports the management of a potential contamination source that presents a high risk to the source of drinking water.	Projects that MDH and public water supplier's view as posing a high risk.		Public water suppliers

U.S. Army Corps of Engineers (COE)

Planning Assistance to States, Section 22

Eligible Programs to Provide Technical Assistance for: Flood control, water supply, water conservation, water quality, hydropower, environmental planning, hydrologic/hydraulic studies, erosion, and methodology to evaluate a wetland or other resource and navigation.

Match Required: Study costs are shared 50% federal and 50% non-federal.

Chapter 6. Financing Watershed District Operations and Projects

Section 1. Types of Watershed Projects

(M.S. 103D.601-103D.815)

Determining the Type of Project

The first step in establishing a Watershed District project is to determine the project's type or category. This is important because Minnesota Statutes Chapter 103D, the Watershed Law, specifies different establishment criteria for the various types of projects. For example, the act requires that a project that essentially accomplishes drainage must follow the proceedings in the Drainage Law (M.S. Chapter 103E), rather than the Watershed Law.

See Sections 8-10 for more information on project types.

Section 2. Funds Generated by Ad Valorem Tax Levies

“Ad valorem” is a phrase meaning “in proportion to the value.” It means a tax that is collected over the entire taxing district and is based on property value, rather than benefits. For example, if a District wishes to raise \$100,000 through an ad valorem tax, it would calculate a tax rate, expressed in percent, that is necessary to raise the \$100,000 based on the total value of real property within the District. This tax rate would then be used to determine the tax for individual properties by maintaining the same proportion of tax to value for all properties within the District.

Organizational Expense Fund

(M.S. 103D.905, Subd. 2)

When a Watershed District is first established or later enlarged it may levy for an Organizational Expense Fund. The fund is to pay for organizational expenses and preparation of the watershed management plan. Unspent funds remaining in this account after organization and preparation of the watershed management plan may be transferred to the Administrative Fund. The Watershed District may levy only ONCE upon creation or expansion for this fund. (The District may levy each time it expands, but only in the newly included area.) The levy is an ad valorem tax levy. It cannot exceed 0.01596 percent of taxable market value or \$60,000, whichever is less.

Managers may borrow from the affected counties up to 75 percent (75%) of the anticipated funds that would be collected from the organizational expense levy. The advancement of these funds needs to be apportioned among the affected counties in the same ratio as the net tax capacity of the area of the counties within the Watershed District bears to the net tax capacity of the entire Watershed District. If the Watershed District is enlarged, an organizational expense fund may be levied against the area added to the Watershed District in the same manner.

General Fund

(M.S.103D.905, Subd. 3)

The purpose of the General Fund is to pay for general administrative expenses and for the construction or implementation and maintenance of projects that are projects of common benefit. A Watershed District may levy annually for a General Fund. The levy consists of an ad valorem tax levy which may not exceed 0.048 percent of taxable market value or \$250,000, whichever is less. The amount of the annual levy for the fund must be determined and justified through the Watershed District's annual budget process (M.S. 103D.911).

In addition to the annual general levy, the managers may annually levy to pay the cost of basic water management features of projects initiated by petition of a political subdivision within the Watershed District or by petition of at least 50 resident owners whose property is within the Watershed District. The annual levy cannot exceed 0.00798 percent of taxable market value for not more than 15 consecutive years. Political subdivision means a county, city, township, soil and water conservation district, school district or other political subdivision of the state, but not a Watershed District.

Watershed Districts are permitted to levy outside of the administrative levy for liability insurance. M.S. 466.06. "Liability insurance" gives Watershed Districts the same authority that cities and counties have to levy in excess of their local tax rate limitation for the purchase of liability insurance. In order to exercise this authority, a District must identify the liability insurance premium as a separate line in its levy certification to the county and indicate that the premium amount is being levied under M.S. Chapter 466.06.

Survey and Data Acquisition Fund

(M.S. 103D.905, Subd.8)

The Survey and Data Acquisition Fund is designed to pay for making necessary surveys and acquiring data. This fund is to be established only if other funds are not available to the Watershed District. The Survey and Data Acquisition Fund is established by an ad valorem tax levy. The levy may only be collected once every five years. The maximum levy is 0.02418 percent of taxable market value of real property within the District or \$50,000, whichever is less. The fund balance cannot exceed \$50,000. At the end of a five (5) year period, any balance remaining in the fund may have to be accounted for in the new levy in order to keep the fund balance below \$50,000.

For future projects where a survey has been paid for from this fund, the cost of the survey as determined by the managers will be included as part of the project work and the sum will be repaid to the Survey and Data Acquisition Fund.

Emergency Projects of Common Benefit Fund

(M.S. 103D.615, Subd. 3)

The purpose of this levy is to pay the costs of projects that protect the interest of the Watershed District when associated with a declaration of an emergency. If the work is found to be of common benefit to the Watershed District, funding may be raised by an ad valorem tax levy upon all taxable property within the watershed if the cost is not more than 25 percent of the most recent general ad valorem levy of the Watershed District.

This ad valorem authority may be combined with assessments against benefited property in order to pay costs associated with emergency work performed without a contract.

Planning and Implementation Fund – Metro Area Watershed Districts Only

(M.S. 103B.241)

This statute gives authority to metropolitan Watershed Districts to levy an amount necessary to pay the increased costs to prepare a watershed management plan and to implement projects identified in an approved and adopted watershed management plan under M.S. 103B.231. A separate fund needs to be created and expended only for these purposes. Proceeds from this levy may also be accumulated as an alternative to issuing bonds to finance improvements.

Capital Improvements Fund – Metro Area Watershed Districts Only

(M.S. 103B.251, Subds. 1-8)

This statute gives authority to metropolitan Watershed Districts to certify for payment by the county all or part of the cost of a capital improvement contained in a watershed management plan approved and adopted under M.S. 103B.231. The ad valorem tax may be levied over the entire Watershed District, or apportioned among one or more subwatershed units which would be established as tax districts. Watershed Districts should submit their certifications for payment to the county as soon as possible, but no later than September 15, for payment to be made that year. For payments to be made in a given year, September 15 should be used as the absolute deadline instead of September 30 as stated in M.S. 103B.251, Subd. 6.

Maintenance of Capital Improvements Fund – Metro Area Watershed Districts Only

(M.S. 103B.251, Subd. 9)

This statute gives authority to metropolitan Watershed Districts to collect an ad valorem levy from all property located within the District or subwatershed unit for the purpose of creating a maintenance fund to be used for normal and routine maintenance of a work of improvement. The county must approve the fund. The improvement must have been constructed at least partially with money provided by the county under M.S. 103B.251, Subd. 6 and a separate account needs to be established.

Section 3. Funds Generated by Assessment Levies

An assessment levy is a special tax levied on a property to pay for a local public improvement that will benefit that property, such as a drainage ditch.

Preliminary Fund

(M.S. 103D.905, Subd. 6)

This fund is used for preliminary work on proposed projects of the Watershed District. The fund must be established by District Court. The fund can be established both for projects that are petitioned and for projects the managers initiate. The fund can be established both for projects that are to be paid for by assessment and for projects that are to be paid for by a combination of assessment and ad valorem, such as basic water management features of a

project. When a project is ordered, the fund (i.e. county) must be repaid by assessment. If a project is not ordered, repayment could be made from ad valorem.

Construction or Implementation Fund

(M.S. 103D.905, Subd. 5)

The purpose of a Construction Fund is to establish an account that consists of:

- the proceeds of Watershed District bonds or notes or of the sale of county bonds
- construction or implementation loans from the MPCA under M.S. Chapter 103F.701-103F.761 or from any agency of the federal government
- funds from special assessments, stormwater charges, loan repayments and ad valorem tax levies levied or to be levied to supply funds for the construction or implementation of projects

Repair and Maintenance Fund

(M.S. 103D.905, Subd. 7 and 103D.631)

The purpose of this fund is to provide money for maintaining the projects of a Watershed District to ensure the projects will be effective. The cost of normal or routine maintenance of the projects and the cost of removing obstructions/foreign substances from a drainage system may be paid from the maintenance fund.

Managers may assess all the parcels of property and municipal corporations previously assessed for benefits at the time of construction. The assessment must be made pro rata according to benefits determined. The collection (or levy) resulting from an assessment may be made annually; however, the fund may not exceed 20 percent of the original cost of construction of the project. Before ordering the levy, the managers may give notice of a hearing on making the assessment and establishing the maintenance fund.

Emergency Projects for Benefited Property Fund

(M.S. 103D.615, Subd. 3)

See Emergency Projects of Common Benefit Fund under Funds Generated by Ad Valorem Tax Levies for assessment information.

Procedure for Ad Valorem Levies

(M.S. 103D.915)

The following procedure is required for the adoption and certification of ad valorem tax levies:

- After the adoption of the budget and no later than September 15, the secretary of the Watershed District must certify the Watershed District's portion of the county tax to the auditor.
- Each county's share will be an amount bearing the same proportion to the total levy as the net tax capacity of the area of the county within the watershed bears to the net tax capacity of the entire Watershed District. The proposed levy is certified by sending

each county a letter with the levy amounts itemized according to the statute that authorizes the levy.

The designated “home county” auditor apportions the levy among the various counties in the District so that each county’s levy bears to the total levy the same proportion as the tax capacity of the area within the county bears to the total tax capacity of the Watershed District (M.S. 275.065, Subd. 1a).

The “home county” is generally the county in which the District office is located. A listing of the current Watershed Districts and home counties is included in the Appendix.

- Certification of final levy: The final levy of the Watershed District must be certified to the counties no later than five working days after December 20 (M.S. 275.07, Subd. 1). The District secretary certifies the final levy by forwarding to each county original resolutions of the Watershed District Board of Managers authorizing each of the itemized levies and sends a letter stating that the levy is final.

In the case of a special taxing district, such as a Watershed District, the final levy may be less than, equal to, or greater than the proposed levy (M.S. 275.065, Subd. 6).

- The final levy can be certified within the deadline for the proposed levy and stipulated to serve as both the proposed and final levy.
- Collection of tax and distribution: the auditor of each county in the Watershed District will add the amount of the levy made by the managers to the other tax levies on the property of the county within the Watershed District for the collection by the county treasurer with other taxes. The county treasurer will make settlement of the taxes collected with the treasurer of the Watershed District in the same manner as other taxes are distributed to the other political subdivisions.

Procedure for Assessment Levies

(M.S. 103D.901)

Assessment levies are used to collect funds for construction, maintenance, or other activities authorized by M.S. 103D and ordered by the Watershed District. They are based on costs that are apportioned on the basis of benefit received. The procedure for assessment levies does vary between the different types of projects and activities.

The following funds are supplied through assessment levies: the Preliminary Fund, the Construction Fund, the Repair and Maintenance Fund, and the Emergency Projects for Benefited Property Fund.

These are the steps involved in the adoption and certification of assessment levies:

- Determination of benefits (M.S. 103D.715-103D.725). After receipt of a favorable engineer’s report, the District will have a determination of benefits and damages to property affected by the proposed project done. This determination can be done by the appointed appraisers or by the managers themselves. For construction or improvement of a ditch, stream, river, or watercourse, or structures for the control or

alleviation of damages from flood waters, the appraisers need to comply with M.S. 103E.311 to 103E.321 (Minnesota Drainage Law).

- Preliminary and final hearings. For projects constructed under the Drainage Law (M.S. 103E) a preliminary hearing is required after the preliminary survey report is filed with the county auditor.
- Final hearings are required for projects constructed under the Watershed Law (M.S. 103D) and the Minnesota Drainage Law (M.S. 103E).
- Order establishing project. For projects constructed under either the Watershed Law (M.S. 103D) or the Drainage Law (M.S. 103E) the District will by order establish the project.
- Assessment statement: After the managers file an approved assessment statement listing the property and corporations benefited or damaged or otherwise affected by the project with the auditor of the affected county, the auditor will assess the amount specified in the assessment statement against the property, municipalities, or other corporations.
- County funding: After the assessment statement is filed with the auditor, the county board of each affected county will provide funds to meet the proportionate share of the total cost of the project. The county may issue bonds to cover its proportionate share of the project.
- Levy and collection: The respective county auditors and county treasurers will levy and collect the amount shown in the tabular statement and lien.

An Assessment May Not Exceed Benefits

As assessment may not be levied against property or corporations under M.S. 103D in excess of the amount of benefits received, as set by the order of the managers for the construction of the project.

Section 4. Funds Generated through Bond Sales

(M.S.103D.905, Subd. 4)

A Watershed District may establish a Bond Fund consisting of the proceeds of special assessments, storm water charges, loan repayments, and ad valorem tax levies pledged by the Watershed District for the payment of bonds or notes issued by the Watershed District. The fund is to be used for the payment of the principal, premium or administrative surcharge and the interest on the bonds and notes issued by the Watershed District and for payments required to be made to the federal government.

Section 5. Funds Generated through Collection of Charges

(M.S.103D.729 and 444.075)

This provision allows a Watershed District, through the amendment of its plan, the authority to establish one or more water management Districts within the territory of the District 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.

This provision also allows that revenue be collected in the form of a charge or fee. The method for determining the fee is authorized by M.S. 444.075.

Section 6. Collection of Funds

(M.S.103D.915)

In general, the collection of money for the various funds of a Watershed District is done through the application of levies. Tax levies are those taxes that are collected on an ad valorem basis across the area of the District or subwatersheds within the District. A levy is the act of imposing and collecting a tax or other payment. For Watershed Districts this levy is made as either an assessment levy or a tax levy (ad valorem).

Tax levies can be imposed to pay the following funds: Organizational Expense Fund, the Administrative Fund, the Survey and Data Acquisition Fund, the Certain Projects of Common Benefits Involving Municipalities Fund, the Emergency Projects of Common Benefits Fund, the Planning and Implementation Fund and the Maintenance of Capital Improvements Fund.

Section 7. Fees and Charges

(M.S. Chapter 103D.345)

Watershed Districts are allowed by law to establish fees and charges for services provided. Fees cannot be charged to the federal government, state or a political subdivision.

Fees

- Permit Fees: application fees of \$10 for processing applications for a permit to do work in the District.
- Inspection Fees: fees charged for inspection of permitted work in the District. The fee is established by the hourly rate of the individual doing the inspection.
- Engineer Review Fees: fees charged for the review work done by the District engineer at the engineer's hourly rate.
- Wetland Delineation Fee: a fee for determining the type and boundary of a wetland. The fee suggested in statute is \$75. Some Districts have determined staff costs on an hourly rate and bill private individuals according to time involved in the delineation.
- Permit fee records should be maintained in an organized manner.

Permit Performance Escrow

Permit performance escrow is collected from permit applicants to ensure performance of permit requirements. Escrow is generally set up so that it can be calculated by a number of different variables, depending upon which are the most appropriate to the characteristics of the District. The following items are shown as an example of the types of things that can be used to establish the escrow amount:

- A base fee of (\$X) dollars, set by the District.
- A frontage fee of \$X/ft on the main channel and \$X/ft on a branch.
- A property size at \$X/acre, set by the District.

Wetland Escrow Accounts

Since passage of the Wetland Conservation Act of 1991, some Districts have set up wetland escrow accounts to cover the costs of wetland mitigation, including land acquisition, attorney's fees, etc.

Section 8. Projects Funded through 103 D—Watershed Law

The purpose of this section is to introduce types of projects that can be initiated and established and how they may be done. The law has been summarized to highlight the key elements. These statutes should be referred to prior to initiating a project.

A. Types of Watershed District projects

Basic water management projects; those constructed with government aid

(M.S.103D.605 and 103D.905, Subd. 3)

Projects that fall under this category must be identified in the Watershed District's watershed management plan or constructed within the Watershed District under an agreement between the managers and the state or federal government. The right-of-way and the cost of the project are the obligation of the Watershed District. A project hearing procedure is described. A grant or cost-share agreement is developed.

Projects initiated under this section may be linked to M.S.103D.905, Subd. 3, which allows the use of a District-wide ad valorem levy if the project is initiated by a municipality and the cost is attributable to implementing and managing the basic water management features of projects identified in the plan.

Construction by government agencies

(M.S. 103D.611)

These are projects to be constructed within the District under a contract between the District and the state or federal government. The cost of the construction is paid by the governmental agency but the right-of-way, legal, and general expenses of the improvement are paid by the District.

The main difference between this type of project and projects constructed with government aid is that this section requires a contract between the parties as compared to a grant or cost-share agreement. In addition, costs attributed to construction are not incurred by the District under this section as they are under M.S. 103D.605.

Emergency Projects of Common Benefit Fund

(M.S. 103D.615, Subd. 3)

The purpose of this levy is to pay the costs of projects that protect the interest of the Watershed District when associated with a declaration of an emergency. If the work is found to be of common benefit to the Watershed District, funding may be raised by an ad valorem tax levy upon all taxable property within the watershed if the cost is not more than twenty-five (25%) percent of the most recent general ad valorem levy of the Watershed District.

This ad valorem authority may be combined with assessments against benefited property in order to pay costs associated with emergency work performed without a contract.

Drainage systems and projects

(M.S. 103D.621-103D.625)

A county board or a joint county drainage authority may direct a Watershed District to assume responsibility for a drainage system within the Watershed District (M.S.103D.625). After the transfer, any repairs, improvements or construction must take place under Minnesota Drainage Law, M.S. 103E.

Because of problems related to urban growth and development in the metro area, M.S. 103D.621 gives Watershed Districts within the metropolitan area the authority to improve and repair any drainage system that has been transferred to the District through using special assessments, as long as the governing bodies of the cities and towns within the Districts agree. Therefore, metro area Watershed Districts may repair and improve drainage systems either through the use of special assessments or through the procedures outlined in M.S. 103E.

Two excellent publications exist that can be very useful for a Watershed District Manager in understanding their responsibilities under the drainage law and the procedures it requires: “Understanding Minnesota Public Drainage Law - An Overview for Decision Makers” (available from the Association of Minnesota Counties, MAWD and/or BWSR) and “Minnesota Public Drainage Manual” (available from the Minnesota Department of Natural Resources).

Project repairs and improvements

(M.S.103D.631, 103D.635 and 103D.641)

Managers are responsible for maintaining the projects of the Watershed District in an effective condition. The cost of normal or routine maintenance of the Watershed District’s projects, and the cost of removing obstructions and accumulations of foreign substances from a drainage system, must be paid from the District’s maintenance fund. If the cost of a repair, including all fees and costs relating to it, is less than \$25,000, the Watershed District may have the work done by contract without advertising for bids (M.S.103D.641).

Repairs and improvements exceeding normal maintenance require an engineer to prepare technical and cost specifications (M.S.103D.635). A public hearing must be held before the work can be ordered. A single levy for the repair or improvement may not exceed the amount of benefits originally determined.

Storm water facilities/storm water utilities

(M.S.103D.729- 103D.730)

M.S.103D.729 allows a Watershed District to establish a water management District for the purpose of collecting revenue to pay the cost of projects, including storm water facilities. Water management Districts are established through revision of the District’s comprehensive plan. The plan amendment must clearly identify the area to be included in the water management District, the amount of the necessary charges, the method used to determine charges, and the length of time the water management District will be used. M.S. Chapter 444

permits Watershed Districts to collect the charges in any manner it chooses and allows certification to the county to collect the charges.

M.S.103D.730 allows Watershed Districts to build, construct, reconstruct, repair, enlarge, improve, or in any other manner obtain storm water systems, including mains, holding areas and ponds, and related facilities for the collection and disposal of storm water. It also allows them to maintain and operate the facilities and acquire land and easement.

B. Project initiation and establishment

(M.S. 103D.601-103D.615)

Watershed District projects can be established in one of the following ways:

- by a vote of the managers
- by a petition
- by a contract with a government entity
- through establishment of an emergency project
- through the drainage code, M.S. 103E

The following reviews “establishment procedures” for projects:

Establishment procedure for a project constructed with government aid or as part of the Watershed District plan

(M.S. 103D.605)

The Board of Managers must follow these steps: submit a copy of the project plan to the BWSR and the director of the DNR Division of Waters for their review and their preparation of a report. After receiving the BWSR and DNR reports, the managers must give proper notice of a project hearing and hold a project hearing to establish the project. After the project hearing and findings by the managers that the project should move ahead, the managers must establish the project, by order. The establishment order must include the findings of the managers.

Establishment procedure for a project involving construction by government agencies

(M.S. 103D.611)

The Board of Managers must follow these steps: submit a copy of the project plan to the director of the DNR Division of Waters and the BWSR for their review and their preparation of a report. The managers must give proper notice and hold a public hearing. After authorizing the project, the managers will appoint three disinterested resident owners of the state to act as appraisers to determine benefits and damages to property affected by the proposed project. After the appraisers’ report, plans and engineering data are filed with the managers, the managers will prepare a detailed statement of all costs to be incurred by the Watershed District. The managers will hold a hearing on the appraisers’ report and make a determination. If the managers determine benefits from the construction or implementation will be greater than the assessments, including damages, they will confirm the appraisers’ report.

Establishment procedure for emergency projects

(M.S. 103D.615)

If the managers find that an emergency situation exists and that immediate action must be taken, they may declare an emergency and designate the location, nature, and extent of the emergency. Once declared, they may order that work be done under the direction of the managers and the engineer without a contract. The project may be paid for in one of the following ways:

- the cost of work may be assessed against benefited properties
- if the cost is not more than 25 percent of the most recent general ad valorem levy of the watershed and the work is found to be of common benefit to the Watershed District, funding may be raised by an ad valorem tax levy upon all taxable property within the Watershed District
- both methods can be used

Establishment procedure for projects initiated through petition

(M.S. 103D.701 and 103D.705)

Projects may not be initiated until the BWSR approves a watershed management plan for the Watershed District. The Watershed District's projects that will be paid for by assessment of the benefited properties must be initiated by a project petition filed with the managers; by unanimous resolution of the managers or as otherwise prescribed by statute.

Many Watershed District projects originate through a petition from landowners or local government within the District. The following is general information on how a project is established after being initiated by petition.

NOTE: Construction of a drainage system or improvement of an existing drainage system must be initiated by a petition.

These are the steps to initiate and establish a project by petition:

1. A project within the Watershed District that generally conforms to the watershed management plan may be initiated by project petition.

The petition must contain the following elements:

- a description of the proposed project and purpose
- a description of the property where the project passes over or is located
- a description of the part of the Watershed District affected
- an explanation of the necessity for the project
- a statement that the project will be conducive to public health, convenience, and welfare
- a statement that petitioners will pay all costs incurred if the proposed project does not materialize
- a bond to pay such costs

- a given number of signatures, depending upon the project (see M.S. 103D.705, Subd. 2)

If the petitioners wish to withdraw a petition, they may do so upon paying the costs and expenses.

2. Engineer's report
(M.S. 103D.711)

If the managers believe the petition meets all requirements of the law, they must identify the project by name and number and designate an engineer to make surveys, maps and a report on the proposed project. After looking at the project, the engineer prepares a report. If the engineer's report is unfavorable, the managers have 35 days to set a place and time within the District for a hearing to give the petitioners an opportunity to demonstrate why the petition should not be referred back to the petitioners or dismissed.

The engineer's report must be filed with the BWSR and the DNR. The agencies have 30 days to respond with an advisory report.

3. Determination of benefits and damages by managers
(M.S.103D.715 and 103D.721)

After the engineer's report is filed, the managers must appoint three appraisers to help determine the benefits and damages to the property by the proposed project. Alternatively, the managers can determine the benefits and damages with the help of the engineer.

Assessments for benefits must be based upon the benefits to the property because of the project. Benefited property must include:

- all property receiving direct benefits, including property owned by the state or a political subdivision
- all property that is contributing water to the project
- all property for which the project provides improved drainage
- all property that contributes waters that are stored, handled, or controlled by the project
- benefits to the state by reason of improvement of lakes, streams or other bodies of water
- others (see M.S. 103D.725)

(If the improvements deal with a ditch, stream, river, watercourse, or structures to alleviate flood damage, see M.S.103E.311-103E.321.)

4. Hearing procedures
(M.S. 103D.735 - 103D.745)

Within 35 days of the filing of the engineer's report, the appraisers' report, and the DNR and BWSR advisory reports, the managers must order a final hearing. The notice of the hearing must be published. If the Watershed District must acquire property to carry out the project, then the managers must record a notice of tendency in the county recorder's office.

If the hearing results in a modification of the plan and affects those not notified in the original notice, then the hearing must be adjourned and the proper notice must be given. If the managers approve the project, the engineer shall be directed to prepare final plans and specifications.

If the project is established, an order must be filed with the secretary of the Watershed District, and a certified copy filed with the following:

- the county auditor of each county affected
- the BWSR
- the commissioner of DNR and the director of the DNR Division of Waters
- the Pollution Control Agency
- the commissioner of the Department of Health

C. Construction

(M.S.103D.801 - 103D.815)

Bids for Construction

After it has been determined that the project will be established, the managers must call for bids for the construction work. Bid notice must be published in at least one of the newspapers of the state where notices are usually published. Bids which exceed the total cost of construction by more than thirty (30) percent must follow M.S.103E.511.

Section 9. Projects Funded through 103E—Ditch Law

As indicated earlier, ditch authorities can transfer a drainage system to the Watershed District (M.S.103D. 625). After the transfer, the proceedings for any repairs, improvements or construction must take place under Minnesota Drainage Law, M.S. Chapter 103E, except for repairs and maintenance done in the metro area under M.S. 103D.621, Subd. 4.

Initiation and establishment of projects involving public ditches and drainage systems, or projects where the principal purpose is drainage must be done under M.S.103E. This is a complicated law. Contact the Minnesota Board of Soil and Water Resources (BWSR) for more information.

Section 10. Projects Funded through 103B—Metropolitan Watershed Management Act

The purposes of the water management program are to (103B.201):

- protect, preserve and use natural surface and groundwater storage and retention systems
- minimize public capital expenditures needed to correct flooding and water quality problems
- identify and plan for means to effectively protect and improve surface and groundwater quality
- establish more uniform local policies and official controls for surface and groundwater management
- prevent erosion of soil into surface water systems
- promote groundwater recharge
- protect and enhance fish and wildlife habitat and water recreation facilities
- secure the other benefits associated with the proper management of surface and ground water

M.S. 103B.241 allows a Watershed District to levy a tax to pay for projects identified in an approved and adopted plan under M.S. 103B.231 necessary to implement the purposes stated above.

Capital Improvements Fund – Metro Area Watershed Districts Only

(M.S. 103B.251, Subds. 1-8)

This statute gives authority to metropolitan Watershed Districts to certify for payment by the county all or part of the cost of a capital improvement contained in a watershed management plan approved under M.S. 103B.231. The ad valorem tax may be levied over the entire Watershed District, or apportioned among one or more subwatershed units which would be established as tax districts. Watershed Districts should submit their certifications for payment to the county as soon as possible, but no later than September 15, for payment to be made that year. For payments to be made in a given year, September 15 should be used as the absolute deadline instead of September 30 as stated in M.S. 103B.251 Subd. 6.

Maintenance of Capital Improvements Fund – Metro Area Watershed Districts Only

(M.S. 103B.251, Subd. 9)

This statute gives authority to metropolitan Watershed Districts to collect an ad valorem levy from all property located within the District or subwatershed unit for the purpose of creating a maintenance fund to be used for normal and routine maintenance of a work of improvement. The county must approve the fund. The improvement must have been constructed at least partially with money provided by the county under M.S. 103B.251, Subd. 6 and a separate account needs to be established.

Chapter 7. Fiscal Management

Section 1. Budgeting, Chart of Accounts, Cash Flow and Management

(M.S. Chapter 103D.911)

A. Budgeting

Managers must adopt a budget on or before September 15 of each year and decide on the total amount necessary to be raised from ad valorem tax levies to meet the Watershed District's budget.

The budget is likely the best policy tool available to the board because it is not a wish list, but rather a reflection of where the District's priorities have been, are today, and will leading the future. What's more, it is law; once adopted it sets the legal guidelines for spending.

The process for developing and monitoring the budget requires the cooperative effort of the Board of Managers, as well as staff, advisory committees and others who have a stake in the District's activities.

Accounting Process

(Source: League of Minnesota Cities' Handbook for Cities www.lmnc.org)

Watershed Districts use a double-entry accounting system. Each account is divided into two parts, known as the debit side and the credit side. Every transaction is entered—as a credit in one account and as a debit in another account. For the bookkeeping system as a whole, the total of all debit balances in accounts must equal the total of all credit balances. This required balance provides a continuing accuracy check.

Every financial transaction involves two fundamental steps. First, the transaction must be entered in a journal or book of original entry showing financial transactions in their chronological order. Then, once entered in this book, each transaction should be posted to an appropriate account in a ledger or book of accounts. Each ledger account summarizes all the transactions for a particular purpose or of a particular nature. There are several software options available, such as Quicken, Quick Books, Microsoft Money, etc.

Responsibility

It is the board members' responsibility to adopt budgets that allocate resources in response to the District's goals. To do that, managers need to understand the budget and how it relates to the District's goals, review draft presentations, raise questions, and at times make changes.

Budget Structure

If the budget presented is only a ledger of revenues, collected and dollars expended, the District should consider an overhaul of the budget process. A good budget structure should include:

- A budget message that explains key changes from previous years and a summary of revenues and expenditures
- Expenditure information that distinguishes between operating and capital expenditures. In some Districts, a separate long-range capital budget is approved by the District Board on an annual basis. The current year portion of that budget is then incorporated into the annual budget.

At a minimum, the District should structure budgeted and actual expenditures so that they include the following information:

- Watershed District program or activity: i.e. maintenance, data acquisition, ditch X fund, special programs
- Revenue by source: i.e., property taxes, special assessments, fees and charges, other revenue and fund balances
- Expenditures by activity: i.e., salaries and wages, professional services, travel, training, capital equipment, projects, debt service, etc.

Budget Cycle

The process the board goes through will determine the District's success in achieving its goals, fulfilling its mission, and implementing the watershed management plan. At a minimum the board should consider the following:

- Setting budget goals: These should start with a review of the District's purpose and mandates. The board should review current water management programs, needs and priorities, considering how they relate to longer range goals of the District. These goals require a cooperative effort between the board, staff, and other parties that have a stake in the goals
- Translate goals to programs: Once the big picture is in place, someone needs to plan the details, such as how much it will cost to maintain the structure/ditch, what type of studies are necessary, and what will be done first.

At a minimum, M.S. Chapter 103D indicates that Watershed Districts should have the following programs:

- General: conducting the business of the District (M.S. Chapter 103D.321, .325, .355, 501, .735, .901, .905, .915)
- Regulation: administering the District's rules and permits (M.S. Chapter 103D.341 and .345)
- Planning: administering the District's watershed management plan and budgets (M.S. Chapter 103D.351, .401 and .911)
- Maintenance (M.S. Chapter 103D.631 and .635)
- Capital Projects (M.S. Chapter 103D.501 and .621)
- Public Relations: administering the requirements of reporting to and notifying the public (M.S. Chapter 103D.531, .735, .745 and .911)

Adopting the Budget

Managers must publish a notice of a public hearing once a week for two successive weeks before the hearing. The budget and levy certification and certification by the county must be adopted on or before September 15th of each year. M.S. Chapter 103D.911 requires that the managers hold a public hearing before adopting a budget. If board members have done a good job in clarifying goals and describing how they will be achieved, then the board should be comfortable with the draft budget. When reviewing the draft budget, the board should consider whether it addresses the goals identified by the board. If cuts are needed, board members will weigh the importance of various services and goals and consider whether there may be more efficient ways of providing the services or tasks. Although this will involve trade-offs and tough choices, clear policies and priorities will make the work easier.

Implementing and Evaluating the Budget

In order for a budget to be helpful, the budget structure must be reflected in the District's chart of accounts. This will allow the District to use the budget to monitor expenditures, revenues and performance. It is essential that actual accounting transactions affecting the budget be classified in a manner consistent with the budget structure.

In implementing the budget, the Board of Managers needs to actively oversee the program implementation to determine if goals are being achieved. To do this, a system of periodic reports is necessary.

B. Chart of Accounts

The following is an example standard watershed chart of accounts:

Equity

(Assets)

1000	Cash
1200	Accounts Receivable
1300	Due from Other Governments
1400	Taxes Receivable
1450	Taxes Receivable - Delinquent

(Liabilities)

2000	Current Portion - LT Debt
2150	Accrued Expenses
2300	Due to Other Governments
2330	Developer Escrow, Permits and Sureties
2400	Deferred Revenue
2600	Bonds Payable
2680	Compensated Absences Payable

(Fund Balance)

2900	Fund Balance – Unreserved
2910	Fund Balance – Unreserved - Designated
2950	Fund Balance - Reserved

Revenues

3100	General Property Tax Revenue
3200	County Tax Revenues
3300	Intergovernmental Revenue
3400	Permitting Revenue
3500	Special Assessments
3700	Interest Income
3800	Miscellaneous Income
3900	Operating Transfers In

Expenditures

(Personnel)

4000	Manager Compensation
4010	Manager Expenses
4100	Salaries
4110	Benefits

(Operating)

4200	Supplies
4210	Rent
4240	Communications
4250	Dues and Publications
4265	Training and Education
4270	Insurance
4280	Postage
4290	Legal Notices
4330	Audit

(Contracted)

Services)	
4510	Consultants
4520	Engineering
4530	Legal
4535	
(Equipment & Repairs)	
4600	Repairs
(Programs and Activities)	
4700	Permitting
4710	Monitoring & Data Collection
4720	Projects
4730	Programs
4740	Education and Information
(Miscellaneous)	
4900	Miscellaneous Expenses
4950	Operating Transfers Out

Note: This chart of accounts is adapted from a standard chart of accounts that was adopted in 2001 as part of a larger Washington County Governance Project (Appendix D-2). It should be thought of as a model/guide and adapted to suit the individual needs and/or complexity of the watershed district.

C. Cash Flow and Management

Resource: League of Minnesota Cities Handbook for Cities: www.lmnc.org

Budgets are an added guarantee that expenditures will occur in accordance with the Watershed District's intent and the organization of the accounts should facilitate the budgetary process. A budget formulated to a definite work program and performance places emphasis on the amounts actually needed to perform particular services and activities. It also provides a concrete method to accurately relate costs to different levels or qualities of services on a regular basis.

Section 2. Audit

The managers of a Watershed District must have an annual audit completed of the books and accounts of the Watershed District. The annual audit may be made by a public accountant or by the state auditor.

The annual audit must be made by a certified public accountant or the state auditor at least once every five years, or when cumulative District revenues or expenditures exceed a specified amount set by the BWSR in consultation with the state auditor.

Requirements for an Audit

(M.S. Chapters 103D.355, 6.54-6.55, 6.67 and 609.456)

The managers of a Watershed District must have an annual audit completed of the books and accounts of the Watershed District. The annual audit may be made by a public accountant or by the state auditor.

If the audit is made by the state auditor, the audit must be initiated by a petition of resident owners of the Watershed District or resolution of the managers of the Watershed District. The petition is guided by M.S. Chapter 6.54 -6.55. The cost for the state auditor's services must be paid by the Watershed District.

If a public accountant in the process of auditing discovers evidence suggesting nonfeasance, misfeasance or malfeasance by an employee or officer of the public entity, the public accountant needs to make a prompt report to the county and state auditor per M.S. Chapter 6.67. This is also covered under M.S. Chapter 609.456.

Audits provide valuable information that helps managers make important policy decisions. Key questions should be asked of an auditor (Source: League of Minnesota (LMC) Handbook for Cities)

- How is our Watershed District doing financially? The answer will be based on how close the fund balances are to the amounts planned in the budget.
- Are financial statements consistent with the adopted budget? Significant variations should be identified and the reasons for the variations discussed.
- What steps can our Watershed District take to improve financial operations and our financial health? Auditors may have suggestions for internal controls, and should be asked to comment on actions taken during the last fiscal year to address concerns raised in prior audits.
- Are revenues generated by enterprise funds adequate to cover expenses and debt service requirements? If not, a rate adjustment may be needed.
- Is the Watershed District using revenues from one fund to subsidize another? The extent and rationale for the subsidy should be examined.
- Is the city relying on a revenue source that may be susceptible to change?
- Are there any lawsuits or other contingencies that could affect Watershed District finances?

Federal Audit Requirements

Federal law requires states and all local units of government that receive more than \$100,000 per year in federal funds to obtain a single, independent, organization-wide audit of their operations. Federal financial assistance includes cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, and direct appropriations.

Section 3. Treasury

Treasury management is the process of managing the monies of the District to obtain the maximum cash availability and maximum yield on invested cash while ensuring that the amount of principal is protected from loss and invested in accordance with the laws of Minnesota. It represents an important component of financial management of the District.

Section 4. Banking

A Watershed District can use a single bank account except for funds which must be kept, by law, in a separate account. Despite this integration, there must be separate bookkeeping accounts for each fund.

Section 5. Bidding and Contracts

(M.S. Chapter 103D.815 and 103D.715, Subd. 5)

For bidding and contracts, managers need to keep an accurate account of all expenses incurred, including: the compensation of the engineer and the engineer's assistants; the compensation and expenses of the appraisers as provided in M.S. Chapter 103D.715, Subd. 5; the cost of the petitioners' attorney and bond; the fees of all county officials, as required and the time and expenses of all employees of the Watershed District, including the expenses of the managers, while engaged in the project. These fees and expenses will be audited, allowed and paid upon the order of the managers and can be charged to and treated as part of the project cost.

Section 6. Debt and Borrowing

(M.S. Chapter 103D.335, Subd. 17)

Managers may borrow funds from an agency of the federal government, a state agency, a county where the Watershed District is located or a financial institution authorized under M.S. Chapter 47 to do business in the state. A county board may lend the amount requested by the Watershed District. A Watershed District may not have more than \$2,000,000 in loans from counties and financial institutions at any time.

Section 7. 103B and 103D Funds

By law, Watershed Districts are allowed to establish a number of funds for the purpose of carrying out their powers and duties. As Districts analyze the various funding mechanisms available to fund projects and improvements, they should remember that precedent does exist for using a combination of assessments and levies for paying project costs.

As indicated in Chapter 6, the following funds can be established:

Ad Valorem Tax Levies

Organizational Expense Fund (M.S. Chapter 103D.905, Subd. 2); General (Administrative) Fund (M.S. Chapter 103D.905, Subd. 3); Survey and Data Acquisition Fund (M.S. Chapter 103D.905, Subd. 8); Emergency Projects of Common Benefit Fund (M.S. Chapter 103D.615, Subd. 3); Planning and Implementation Fund (metro only) (M.S. Chapter 103B.241, 103B.231)

and 103B.235) and Maintenance of Capital Improvements Fund (metro only) (M.S. Chapter 103B.251, Subd. 9).

Assessment Levies

Preliminary Fund (M.S. Chapter 103D.905, Subd. 6); Construction or Implementation Fund (M.S. Chapter 103D.905, Subd 5); Repair and Maintenance Fund (M.S. Chapter 103D.905, Subd. 7 and 103D.631) and Emergency Projects for Benefited Property Fund (M.S. Chapter 103D.615, Subd. 3).

Funds Generated Through Bond Sales

(M.S. Chapter 103D.905, Subd. 4)

Funds Generated through Collection of Charges

(M.S. Chapter 103D.729 and 444.075)

Section 8. Water Management Districts' & Water Management Charge Systems

A Water Management District

A water management district is a means to plan, organize, manage and finance a response to the growing problem of storm and surface water runoff caused by human influence on the landscape including both agricultural and urban development.

In the past, Watershed Districts were able to put stormwater management issues on the bottom of the stack of things needing their attention. In recent years however, greater development of agricultural lands, increased urbanization, and tougher environmental regulations have increased the need for stormwater management. Current stormwater problems need to be addressed, and long range plans need to be developed to minimize future problems.

Stormwater management can no longer be addressed solely by building bigger ditches, pipes and drains to get rid of stormwater but needs to be looked at from a total water resources point of view. All properties, regardless of their location in a watershed, have an impact on water resources. Rain that used to be absorbed into the ground has to go somewhere. A properly designed stormwater management system can prevent flooding and environmental degradation and improve living conditions within the Watershed District.

Funding Stormwater Management

Increased demand for stormwater improvements, coupled with federal and state water quality standards, require that the amount of revenue devoted to stormwater management be increased.

In the past, stormwater management was funded primarily through the general fund, that is, by property taxes or through special assessments. Funding by property taxes is considered to be inequitable because: 1.) tax-exempt properties generate stormwater but do not contribute revenue towards stormwater management; and 2.) the assessed value of a property, which determines its property tax, is not always proportional to the property's relative contribution to or use of a stormwater system.

Funding by special assessments does not address watershed-wide stormwater management needs. However, by creating a water management district, a Watershed District can, through the collection of water management charge system, establish major source of dedicated revenue that will adequately support stormwater management through a fair and equitable billing system.

Generation of Revenue

Whether referring to a water management charge or a stormwater utility fee in all cases revenue is generated by collecting a fee or charge that is assigned to each parcel of land within the water management district. The amount of the charge or fee, per M.S. Chapter 444, will generally be based on the quantity, pollution qualities and difficulty of disposal of stormwater produced.

There are numerous methods that can be used to develop the rate structure or runoff coefficients that are used to calculate a parcel's stormwater charge. One common method is the Equivalent Hydraulic Acre method. This method charges all parcels (including undeveloped) a fee based on their relative contribution of stormwater runoff to the stormwater system, referred to as "equivalent hydraulic acres," (EHA). The number of EHAs is determined by multiplying the impervious area of a parcel by an impervious runoff factor and multiplying the parcel's pervious area by a pervious runoff factor and totaling the results. This total is then multiplied by a water quality factor. To increase efficiency, flat rates will often be developed for typical or similar parcels, such as residential lots.

Watershed District Authority

Watershed Districts can build, construct, reconstruct, repair, enlarge, improve, or in another manner obtain storm water systems, including mains, holding areas and ponds, and other appurtenances and related facilities for the collection and disposal of stormwater. Under authority granted by M.S. Chapter 103D.729, Watershed Districts may establish a water management district for the purpose of collecting revenues and paying the costs of projects initiated under M.S. Chapter 103B.231, 103D.601, 103D.605, 103D.611 or 103D.730. In addition, Watershed Districts are also authorized to collect charges for stormwater management under M.S. Chapter 103D.730.

Defining Stormwater Systems

In many local ordinances "stormwater system or systems" is defined as: all rivers, streams, tributaries and lakes within the boundary of the local governmental unit and all local governmental unit owned storm sewers, culverts, curbs, gutters, streets, retention and detention facilities, lift stations, and all other appurtenances now and hereafter existing, used or useful, in connection with the collection, control, transportation, treatment, or discharge of stormwater.

This broadly accepted definition of stormwater systems should provide Watershed Districts with a great deal of flexibility in defining what constitutes the stormwater system within its jurisdiction and the projects and/or programs that can be funded with a stormwater utility.

Benefits to a Watershed District

Fees charged to property owners are based on the actual characteristics of stormwater, such as quality or quantity, generated by each parcel. During development of a stormwater utility hydrologic calculations and/or water quality models are used to determine the amount of runoff or pollutants each parcel or type of land use is contributing to the stormwater system being addressed.

The amount of runoff or the amount of pollutant becomes the basis for determining how much each parcel will be charged. The utility then becomes based on the premise of "users pay."

Through the installation of best management practices, such as ponding or water quality buffer strips, property owners can be credited for these improvements and have their fee reduced. This allows the Watershed District to "reward" property owners for implementing water quantity and quality practices on their property.

The most common method of financing currently used by Watershed Districts is special assessments. This method has worked well for traditional drainage and flood control projects where the determination of direct benefit to a parcel of land is straight forward. However, special assessments do not work well when a District is attempting to undertake water quality projects or manage stormwater conveyance systems, due to the difficulty in assessing a direct benefit attributed to water quality and to the many small parcels that occur in urbanized areas.

Properties such as schools, churches, and government buildings, which are generally large producers of runoff, can be included in a stormwater utility fee.

Steps Necessary to Establish a Water Management District & Water Management Charge System

Based on a review of the statutory requirements relating to establishment of a water management district by a Watershed District, the following steps have been identified as necessary in order to establish a water management district, which is the first phase of developing a stormwater utility.

Step 1: Amend Watershed District Plan to create a water management district.

Amendment must include:

- A description of area to be in the water management district.
- The amount to be raised by charges (total amount is necessary if fixed time for water management district to be in force, otherwise annual maximum (cap) amount if water management district is established in perpetuity).
- The method that will be used to determine the charges.
- The length of time the water management district will be in force (perpetuity is acceptable).

Step 2: Approval of Plan amendment under M.S. § 103D.411 or as part of a revised Plan under M.S. § 103D.405.

- Revised Plan, or petition and amendment, sent to BWSR.
- BWSR gives legal notice, and holds hearing if necessary.

- BWSR approves plan or amendment.
- BWSR notifies Watershed District managers, counties, cities and SWCDs.
- Watershed District maintains file of all properties within the water management district.

Step 3: Watershed District establishes project(s) in the water management district.

- Projects implemented must be ordered by the Watershed District managers.
- Order for “Project” must specify funding method(s).
- Watershed District must notify counties, cities and towns within the affected area at least 10 days prior to a hearing or decision on “Projects” implemented under this section of statute.

Step 4: Watershed District refines methodology for computing charges based on final “Project” scope.

Step 5: Watershed District determines and sets charges for all properties within the water management district after identifying scope of “Project” and deciding method(s) of funding “Project”.

Step 6: Watershed District develops collection mechanism. Request county to collect. Contract with private vendor (e.g. electric cooperative). Billing and collection by Watershed District.

Step 7: Watershed District establishes a separate revenue fund for proceeds collected from the fee or stormwater utility charges.

Step 8: Resolution of Disputes. Local governments may request BWSR to resolve disputes pursuant to M.S. § 103D.729, Subd. 4, except a local appeal process must be completed first for disputes involving water management districts established in perpetuity.

Charge Collection

A number of options exist for the collection of stormwater utility charges, including:

- The county can collect the charge in any manner it determines, including collecting as part of the property tax
- Contracting with a private vendor, such as a electric cooperative
- Billing and collecting by the Watershed District itself

In all cases the costs to do the billing and collection can be paid for as an administrative expense of the stormwater utility program.

See BWSR fact sheet for additional information

http://www.bwsr.state.mn.us/planning/Water_Mgmt_District_Steps_December%202010.pdf

Chapter 8. Personnel Management

(Resources: League of Minnesota Cities and the Rice Creek Watershed District)

Section 1. Administrative Staff

Developing Personnel Records

The Board of Managers and Administrator need to be aware of legal requirements regarding personnel management, such as: minimum wage laws and anti-discrimination. Watershed Districts must comply with the Minnesota Government Data Practices Act, which states that all data on personnel is private, unless classified by law as public.

Federal and state laws require that employers keep personnel data when a person is employed, was employed or applied for employment with the District. Information on a person who volunteers for the District or is a member of an advisory board or commission may also be considered personnel data.

An employee or personnel file should include the employee's application, resume, an offer of employment, performance evaluations, training records and records of discipline. It should contain a District employment history including compensation, positions held, promotions and attendance. Upon request, an individual can review their own personnel file.

A separate file should be created for employee medical information. It contains medical-benefit enrollment forms, emergency contacts, worker's compensation claim information, sick-leave forms, physician's notes, prescription information and any documents relating to the Americans with Disabilities Act and the Family and Medical Leave Act.

A payroll file could be created which is used for storing pay-related information, including attendance records, time sheets, W-4 and any forms authorizing payroll deductions.

The employee is responsible for providing the District with current personal contact information (name, address, telephone, fax, e-mail), required tax information on a W-2 form, insurance beneficiaries and emergency contacts as well as other information deemed necessary.

Section 2. Personnel Management Structures

The District's Board of Managers and District Administrator should define personnel-management objectives and roles. Personnel management requires cooperation in developing objectives and defining management roles. In order to meet those objectives, the personnel structure should include the following: a classification and pay plan, job descriptions, performance appraisals, comprehensive personnel policies and procedures, an efficient documentation procedure and a record-keeping system.

See Appendix A-3 for an example of a watershed district employee handbook

Section 3. Recruitment and Termination of Public Employees

Recruitment

(M.S. Chapter 177)

The Federal Fair Labor Standards Act (FLSA) provides for minimum wages, overtime compensation and record-keeping. Minnesota also has a fair labor standards law that sets minimum wage and overtime compensation requirements for employees (M.S. Chapter 177.21 to 177.35)

Districts must post a summary of FLSA in a “conspicuous and accessible place in or about the employee work premises.”

FLSA requires Districts to pay at least the federal minimum wage to all non-exempt employees, pay at least one and one-half times the employee’s regular rate of pay for all hours worked over 40 in the workweek or grant compensatory time off at the rate of one and one-half hours off for each hour worked over 40 in the work week; pay overtime wages on the regular payday for the pay period in which the wages were earned; comply with the child labor standards and comply with recordkeeping requirements.

Definitions of Employment

Exempt and Non-Exempt Employees

Both FLSA and Minnesota’s Fair Labor Standards Act define “exempt employees” as executive, administrative and professional employees. If these employees meet certain criteria in federal Department of Labor rules, they are exempt from overtime compensation and minimum wage requirements. To be exempt, employees must meet a duties test and a salary basis test. “Salaried” is not equivalent to “exempt.” The “duties test” exempts executive, administrative and professional employees and they must also be compensated on a salary basis. On April 20, 2004, the U.S. Department of Labor published final regulations on exemptions that affect “exempt employees” and should be reviewed.

FLSA allows Districts to compensate employees for overtime work by granting them compensatory time in lieu of cash. If the employees do not use their accumulated compensatory time, the employer is required to pay cash compensation, but under certain circumstances. The District can specify the timing of the employee’s use of compensatory time earned. FLSA also has specific provisions covering compensation for lectures, meetings and training programs and travel time for non-exempt employees.

Local governments are prohibited from discriminating against employees who assert their rights under FLSA. The state and federal laws authorize private lawsuits, back pay, liquidated damages and criminal penalties.

Employee Versus Independent Contractor

For federal income tax purposes, the Internal Revenue Service (IRS) has criteria which determine whether or not federal income tax should be withheld. The Department of Labor (DOL) has similar criteria. The IRS test involves whether the work is continual and whether workers are required to work a specific number of hours. Under the DOL’s test, the

determining factor is the amount of control the employer has over “when and how long a worker works” and “over how the worker accomplishes the assigned tasks.”

Searching for Employees

Districts may place ads in local and regional newspapers and on various governmental websites. Minnesota’s Job Bank is an internet-based self-service system where member employers can place ads by themselves. Membership is free. Call 952-346-4330 for instructions. Information is also available at www.mnworkforcecenter.org. District Administrators are encouraged to contact persons they know at agencies such as the Minnesota Pollution Control Agency, Minnesota Department of Natural Resources and the Minnesota Department of Agriculture. The Board of Soil and Water Resources sends notices out to SWCDs, Watershed Districts and county water planners. The State Department of Employee Relations has a website for job openings: The University of Minnesota’s Water Resource Center will send the job opening out to its list of water resource science graduate students. Send an e-mail with the job announcement requesting the notice be sent water resource science graduate students to: wrs@umn.edu

The League of Minnesota Cities publishes job openings on their website and in their publication called the “Bulletin,” for a small fee for non-members. Contact the League at 651-215-4030.

Watershed Partners, a coalition of over 40 public, private and non-profit organizations in the Minneapolis/St. Paul metropolitan area, has a list serve available to post job openings. Contact the Center for Global Environmental Education at 651-523-2480 or <http://cgee.jamline.edu/watershed/> for information.

A website for water professionals lists job postings at www.metrowater.org.

MAWD lists job openings on its website at: www.mnwatershed.org.

Word-of-mouth is one of the most successful ways to identify potential employees. District Administrators are encouraged to call the Minnesota Association of Watershed Districts, other District Administrators as well as contacts in cities and counties within their Districts.

Termination of Employment

Employees serve “at the will” of the District, which means they can be dismissed without cause. All employees should be required to give written notice of their intent to resign, with a minimum two-week notice. If the employee has any District property of money in his or her possession, travel advance or other outstanding expense, that employee is responsible for reimbursing the District upon termination.

Section 4. Compensation

The salary of a public employee cannot exceed 95% of the governor’s salary. Otherwise, Districts generally have broad discretion to establish and modify salary levels, including making salary reductions.

Employers are required to pay wages to employees at least once every thirty days. There must be a regular payday established in advance of the payment and payment must be made by cash or check. There are many requirements regarding what can and cannot be deducted from wages before they are paid. Employers are required to provide employees with an earnings statement each pay period and state law specifies what it must include.

Pay Equity

The Local Government Pay Equity Act (Comparable Worth) requires the adoption of job evaluation systems. They establish equitable compensation relationships between classes of employees. It defines an equitable compensation relationship as one where “the compensation for female-dominated classes is not consistently below the compensation for male-dominated classes of comparable work value.” In addition, it indicates that the Act does not affect the requirement that employers and employees must bargain in good faith. Local governments are required to have a job evaluation system to determine the “comparable work value of the work performed by each class of employees.” Local governments can use the state job match, use or modify systems used by other public employers, design their own system or purchase a privately-owned (consultant’s) system. Local governments that employ one or more people must file a report with the state every five years. Information on the report is public information under the Data Practices Act.

Pay Equity Implementation Report

Watershed districts with one or more **employees** must file a pay equity implementation report every three years as required by the department. Per MN Statutes 179A.03, subdivision 14: Generally, an employee is one who works an average of at least 14 hours per week or 35 percent of the normal work week & 67 working days per calendar year; or one who works in a position filled for more than 67 working days in a calendar year. See MN Statutes for further information on temporary, seasonal and student employees. The information in the report is public data governed by Chapter 13. The form which watershed districts must use is provided by the department. Based on the pay equity implementation report and any other information requested by the department, a number of tests are used to analyze the information submitted and determine compliance/noncompliance. Detailed information on testing methods is available in MN Rules, Chapter 3920.0400.

The Federal Equal Pay Act prohibits employers from discriminating on the basis of sex by paying one sex differently than the other for equal work on jobs that requires equal effort and responsibility, which are performed under similar working conditions.

Salary Determination

Districts should establish salary goals. Employees should be reviewed periodically for salary purposes and should normally be eligible for a salary review on an annual basis. Compensation levels or increases are discretionary.

Salary goals could include the following:

1. To establish and maintain salary structure to attract and retain qualified and competent personnel
2. To encourage continual performance improvement through a well-administered salary and performance review program

3. To establish and maintain salary levels which are comparable to salaries paid by similar employers with similar needs
4. To provide equal pay for equal work and maintain salary relationships among the positions within the District which recognize responsibility, experience and education differences
5. To comply with all governmental requirements and regulations
6. To provide flexibility within the salary ranges to respond to economic and competition fluctuations

Section 5. Benefits

General

Federal and state laws required Districts to contribute to Worker's Compensation, Social Security, Medicare and Unemployment. Districts can negotiate inclusion into a county group health and life insurance program. These programs may offer health, dental and life insurance, but vary according to the county.

Each District can establish its own benefit package.

Holidays

In order to receive holiday pay, an employee must be considered regular full-time. Regular part-time employees could be paid pro rata for holidays. Generally, temporary employees do not receive holiday pay.

Each District can offer holidays in addition to those that are prescribed by the state and federal government as follows:

New Year's Day	January 1
Martin Luther King, Jr. Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Day following Thanksgiving
Christmas Day	December 25

Generally, when a holiday falls on the weekend, the preceding Friday or following Monday will be a holiday.

Office Closure

The District Administrator, board or the board president is authorized to close the office due to bad weather or other reason that will protect the health and safety of the employees. If possible, the employee should contact the District Administrator to find out if and when the office is closed.

Vacation

Districts can determine the years of service and the vacation leave allowed. Generally, vacation time is accrued for regular part-time employees who work 24 or more hours per week on a pro-rata basis. Full-time employees earn vacation time at a certain rate.

The District can determine if an employee can carry-over unused vacation from a previous year and under what circumstances. The employee is responsible for ensuring that vacation time is not lost. Employees should request vacation time from the District Administrator as soon as possible; however, the Administrator reserves the right to deny the request if it is in the best interests of the District. When an employee terminates employment, earned but unused vacation will be included in the final paycheck.

Personal or Sick Leave

The District can determine how many hours of leave pay per month are available to regular full-time employees. Newly hired employees can receive earned leave pay after completing one month employment. Regular part-time employees that work 24 hours or more per week are eligible to receive leave pay on a pro-rata basis.

If an employee is unable to perform work duties due to temporary illness, short-term disability and necessity for medical or dental care, or the employee has a contagious illness, leave may be granted. Districts can determine if leave to care for a sick family member is allowed and under what circumstances. Districts can also determine the notification procedure that must be followed. Emergencies can be handled on a case-by-case manner. The earned value of a deceased employee's accrued unused leave may be determined by the District.

Unpaid leave provisions may be developed by the District for employee time off due to certain approved activities that cannot be scheduled during non-work hours. If an extended personal leave is requested, such as for parental leave, family and medical leave, the board may want to review the application for the leave. The District must comply with laws regarding military duty, jury duty, etc.

If an employee receives an official summons or subpoena for jury duty or court appearances, the District can require proof prior to authorizing the leave or leave pay; the District can also determine how to handle benefits for people who have volunteered for jury duty.

In order to receive holiday pay, an employee must be considered regular full-time. Regular part-time employees

Section 6. Working Conditions for Public Employees

Worker's Compensation

(M.S. Chapter 176)

Watershed Districts must pay workers' compensation benefits to their employees for all injuries from accidents arising out of and during their employment with the District. All Districts meeting statutory requirements must post information regarding workers' compensation employee coverage in a conspicuous place, such as: rights and obligations under

the law, assistance available and the name and address of the workers' compensation insurance carrier.

Coverage

Generally, the Workers' Compensation Act pertains to employees who perform services for hire, including minors. District Administrators should review the Act to determine if some "independent contractors" may be covered under the Act under the definition of "employee."

The Act is specific about coverage for persons who "do building construction or improvement work." Unless the person or contracting company meets all of the tests indicated in M.S.177.042, the person is considered an employee of the District.

Occupational diseases as well as accidental injuries are eligible for compensation.

The District is not required to provide worker's compensation to managers. If the District wants to include the Board of Managers on their plan, a resolution must be adopted.

Benefits Available

The statute established four categories of disability: temporary total, temporary partial, permanent partial and permanent total. The amount of benefits payable in the case of the employee's death is set in statute and depends upon the number of dependents.

If an employee continues to receive a salary while disabled, the amount of workers' compensation benefit paid can be subtracted from that salary.

In the case of an accident, the District Administrator should contact its insurer as soon as possible.

Occupational Safety and Health Act

(M.S. Chapter 182)

The Minnesota Occupational Safety and Health Act (OSHA) was enacted to reduce the number of safety and health hazards at work. Employers are required to post notices that inform employees of their rights and obligations under OSHA and to contact the District or the Department of Labor and Industry for assistance and information. Employers are required to post an annual summary of any occupational injuries or illnesses as well.

OSHA standards are established by the State of Minnesota through rules in Minnesota Rules Chapter 5210. They are as effective or could be more effective than those promulgated by the federal government.

Hazardous Substances

Districts must provide working conditions and places of employment that protect employees from hazards likely to cause death, serious injury or harm their employees. Safety information and training must be provided for employees routinely exposed to hazardous substances or harmful physical agents.

Right to Refuse to Work

If employees feel they are endangered due to exposure to hazardous materials or substances or if the employer has not provided training and information, employees can refuse to work with that substance or agent. If the employer does not reassign that employee to another area, the employee may refuse to work and still be paid.

Inspection

The commissioner or a representative of the state Department of Labor and Industry regulates inspections and can inspect the District office and off-site premises. Districts must assist the Department by supplying information and providing the necessary personnel or inspection aids. Employers or associations of employers can assist in the development of safety standards with the department.

Employees or their representatives can request inspections if they have reason to believe that a violation of safety or health standards exists. The District needs to be notified of the inspection. If the Department finds a violation, the commissioner must issue a citation within six months. An order can be issued to require the employer to remedy the situation. The order cannot be for more than three days. Employers can contest citations.

Penalties

Fines for willfully and knowingly violating any standard, rule or order can be subject for a fine of not more than \$70,000 for each violation. In addition, there are other penalties, including \$7000 for violation of posting requirements, \$7000 for violating citations and up to \$7000 per day for continuing violations. False statements and knowing and willful violations are subject to criminal penalties.

Employees can request a hearing if they feel they have been dismissed or discriminated against because of exercising their rights under the Act. The Department can order employers to cease and desist, rehire or reinstate the employee and provide financial support which the employee is entitled to.

Employees' Political Activities

(M.S. Chapter 211)

The Federal Hatch Act applies to local government employees if the United States or a Federal agency finances the employee's principal employment activity in any way. The local government officer or employee can express opinions on political subjects and candidates and take an active part in campaigns. Local government employees can belong to and be officers in a political party, organization or club. However, the employee cannot:

- Use official authority or influence to interfere with or accepting the result of an election or nomination for office
- Directly or indirectly coerce, attempt to coerce, command or advise a state or local officer or employee to contribute anything of value for political purposes
- Be a candidate for elective office in a partisan election

Minnesota laws states that no employee or officer may use authority or official influence to compel any person to neither become a member of a political organization nor promise to make payments or take part in any political activities. Violation is a misdemeanor.

Section 7. Performance Reviews

All new employees or existing employees transferred or promoted to a new position will have a six-month learning period. An evaluation of the employee's performance will be conducted at the end of the learning period. The evaluation could include confirmation of the employee's acceptability in the position, dismissal or reclassification/transfer back to the employee's original position.

The District Administrator (or the board, in the case of the District Administrator) will conduct a formal written performance appraisal at the end of each calendar year for all employees or at the individual's one year anniversary and then every year thereafter. Copies of the written appraisal will be provided to the employee.

The appraisal process should be a conversation between the District Administrator and the employee. At the discretion of the District Administrator or board, interim performance appraisals may be scheduled to address any potential concerns early and allow employees to take actions to improve their performance.

Section 8. Educational Assistance

After continuous employment of 120 days, all regular, full-time employees are eligible for educational assistance. The course must be taken from an accredited educational institution and related to the employee's present job or provide training to prepare for a future position with the District. Reimbursement for educational expenses are allowed for approved courses only and the employee must receive a passing grade of "C" or better or equivalent.

The employee should discuss the proposed course with the District Administrator to determine whether the course is reimbursable. Once the request is approved, the employee should register for the course and pay the tuition and fees. The employee can receive reimbursement if proof of the educational expenses and evidence of a passing grade of "C" or better is provided to the District within 60 days after the course is completed.

The District can determine an annual limit per calendar year per employee. Termination of employment prior to course completion will deem the educational expenses unreimbursable.

Section 9. Guidelines for Personal Conduct

Legal and Ethical Behavior

Watershed District employees are expected to conduct business on behalf of the District in accordance with ethical business practices and laws and regulations. Employees who use District property should exhibit due diligence and protect the property and conduct themselves in a safe manner.

The use of District assets or funds in any way for entertainment or gifts to political candidates or organizations is prohibited. Use of District assets or funds for entertainment or gifts to

employees or others are prohibited except if they are customary and are reasonable in the amount, legal under law and not in consideration for any improper action by the recipient.

Any employee must obtain approval from the District Administrator before engaging in any employment that may be perceived or deemed as a conflict of interest. In the case of the District Administrator, Board approval is required. The following may be used as a guideline for defining a “conflict of interest:”

- The performance of an act in other than an official capacity as an employee which may later be subject to that person’s control, inspection, review, audit or enforcement
- For exempt employees, any work that is the same as or similar to the type of work performed for the District.

An employee should not accept gifts from any person, firm or governmental agency regulated by the District that may be inferred for the purpose of influencing a regulatory action by the District. Gifts of nominal value are excluded.

Employees are expected to protect confidential information and not discuss it outside of a professional capacity. Confidential information can include information relating to litigation, data classified private or non-public by the Minnesota Government Data Practices Act and other information marked “confidential” by the District.

Employees who become aware of a violation or potential violation of this policy are expected to report it to the District Administrator or the board president.

Smoking and Dress Standards

No smoking is allowed in the District office. Employees are expected to dress in a professional manner appropriate for their position.

Sexual Harassment

A District should maintain a work environment that is free from sexual harassment. “Sexual harassment” is defined as any unwelcome sexual advances either verbal or physical where: submission to the advances is a term or condition for employment; submission or rejection of advances is used in making decisions on employee evaluations (promotions, terminations) and assignments; or such conduct interferes with an individual’s work performance and creates an intimidating and hostile work environment. The victim of sexual harassment or the harasser may be either sex.

Sexual Harassment Policy

A sexual harassment prevention program substantially and positively can impact the productivity and morale of a city and its employees. It also can help the city defend itself against employment lawsuits. A good sexual harassment prevention program begins with a strong policy prohibiting sexual harassment. In addition, the program should include training of employees and supervisors on prevention and proper response to harassment complaints. Ideally, sexual harassment prevention training should occur at least once every two to three years.

Instead of a standalone sexual harassment policy some watershed district choose to include a policy statement and protocols in its employee handbook. An example of this can be found in Appendix A-3.

If an employee believes they have been harassed, they should respond to the behavior in the following way:

- Tell the person specifically what behavior is unwanted and tell that person to stop it immediately. Document what is said, when and where and the understanding that was reached. If necessary, the employee may seek the assistance of the District Administrator or board president.
- If the unwanted behavior does not stop after the person complains or if the harassment is serious, the employee should contact the District Administrator immediately.

After receiving a report of sexual harassment, the board should order an investigation of the complaint, gather information and take the appropriate action. Employees are expected to handle this information confidentially.

Employee Conduct

Districts should establish guidelines for professional behavior. The following could be considered of each employee:

- Regular and punctual attendance. Expected absences, tardiness or extended working hours should be discussed with the District Administrator
- Any loan, sale, transfer or damage of any District property should be discussed with the District Administrator
- Safety rules will be followed and personal protection equipment will be worn. Personal injuries received on the job will be reported
- Literature, computer software or confidential records should not be copied or distributed without the permission of the District Administrator
- Hours will be accurately reported and break periods will be followed
- Assigned work and reasonable requests by the District Administrator should be followed
- Gaming devices, intoxicants, controlled substances, explosives, firearms or other weapons should not be brought to District property
- Employees should follow all laws and ordinances while conducting District business

Problem-Solving

Any problems, questions or conflict should be resolved as soon as possible. The District Administrator is encouraged to have an “open-door policy” to ensure resolution. If the employee has a work-related or personal problem that he/she believes the District can help resolve, the employee is encouraged to discuss it with the District Administrator. If the employee does not get an answer or is not satisfied with the answer, the employee is encouraged to discuss the problem with the board president.

Section 10. Retirement

(M.S. Chapters 353 and 471)

In general, the federal Age Discrimination in Employment Act prohibits local governments from establishing mandatory retirement ages for any employee or type of employee. The Act and Minnesota Statutes allows cities to establish mandatory retirement ages for police and fire personnel.

Mandatory Public Employees Retirement Association of Minnesota Membership

PERA membership is generally required for public employees filling non-elected positions whose salary or compensation from one governmental subdivision exceeds \$425 in any calendar month. Some specific exemptions may apply.

Generally speaking, per diems relating to expense reimbursements, such as mileage, meals, etc., are not PERA eligible. A per diem paid for attending a meeting or other pay that could be associated with “wages paid for services rendered,” would be PERA eligible.

Watershed District Managers and employees are eligible for the Coordinated Retirement Plan. As members of this plan, the employees have both Social Security and Medicare taxes withheld from their earnings (6.2% Social Security and 1.45% Medicare).

Independent contractors are not eligible for PERA. The test for determination of independent contractor status for PERA purposes is very similar to that of the IRS.

For additional employer information on PERA, either visit their website at <http://www.mnpera.org> or call Employer Services at 651-296-3636 or 1-888-892-7372. Individual members may also visit the website or call Membership Services at 1-800-652-9026.

Continued Payment of Health Care Benefits

State law authorizes employer payments of premiums for group insurance coverage of retired employees. An employer is not obligated to fund all or part of the cost of health care benefits for a former employee beyond the termination of the contract or personnel policy.

COBRA

Congress passed the Consolidated Omnibus Budget Reconciliation Act (COBRA) health benefit provisions in 1986. The law amends the Employee Retirement Income Security Act, the Internal Revenue Code and the Public Health Service Act to provide continuation of group health coverage that otherwise might be terminated.

COBRA provides certain former employees, retirees, spouses, former spouses, and dependent children the right to temporary continuation of health coverage at group rates. This coverage, however, is only available when coverage is lost due to certain specific events. Group health coverage for COBRA participants is usually more expensive than health coverage for active employees, since usually the employer pays a part of the premium for active employees while COBRA participants generally pay the entire premium themselves. It is ordinarily less expensive, though, than individual health coverage.

There are three elements to qualifying for COBRA benefits. COBRA establishes specific criteria for plans, qualified beneficiaries, and qualifying events. The law generally covers health plans maintained by private-sector employers with 20 or more employees, employee organizations, or state or local governments.

Qualified beneficiaries must be given an election period during which each qualified beneficiary may choose whether to elect COBRA coverage. Each qualified beneficiary may independently elect COBRA coverage. A covered employee or the covered employee's spouse may elect COBRA coverage on behalf of all other qualified beneficiaries. A parent or legal guardian may elect on behalf of a minor child. Qualified beneficiaries must be given at least 60 days for the election.

Under COBRA, participants, covered spouses and dependent children may continue their plan coverage for a limited time when they would otherwise lose coverage due to a particular event, such as divorce (or legal separation). A covered employee's spouse who would lose coverage due to a divorce may elect continuation coverage under the plan for a maximum of 36 months. Beneficiaries may be required to pay for COBRA coverage.

See the Department of Labor website for more information about COBRA at: www.dol.gov/ebsa/faqs

Section 11. Tennesen Warning Notice

(M.S. 13.05 subd. 3)

Tennesen Warning Notice

What is a Tennesen warning notice and when is it required?

When a government entity collects private/confidential data from an individual about that individual, the entity must give him/her a Tennesen warning notice (see Minnesota Statutes, section 13.04, subdivision 2). The purpose of the notice is to enable an individual to make an informed decision about whether to give data about her/himself to the government entity. A government entity may not collect data on individuals unless the collection is necessary to carry out its duties under a program that is authorized by law (see Minnesota Statutes, section 13.05, subdivision 3).

When does a government entity not have to give a Tennesen warning notice?

- The individual volunteers the data, the entity didn't ask for it
- The data are not about the individual being asked
- The data about the individual are public
- The individual is asked to provide criminal investigative data to a law enforcement officer under Minnesota Statutes, section 13.82

What must a government entity include in the Tennesen warning notice?

- The purpose and intended use of the data, i.e., why the government entity is collecting the data from the individual, and how it plans to use the data within the entity
- Whether the individual is legally required to provide the data, or may refuse to do so

- Any consequences known to the government entity if the individual provides the asked-for data
- Any consequences known to the government entity if the individual does not provide the asked-for data
- The identities of other persons or outside entities known to the government entity that are authorized by law to have access to the data. All Tennessean warning notices should include, for example, that data may be shared upon court order or sent to the state auditor, but the warning notice must also list those persons specifically authorized to access the data under state or federal laws.

What are the consequences to a government entity for failing to give a Tennessean warning notice?

With limited exceptions, a government entity may not collect, store, use, or disseminate private or confidential data for any purpose other than those specified in the Tennessean warning notice, or per section 13.05, subdivision 4. (Advisory Opinion 95-028) If an agency fails to give the Tennessean warning notice, the agency may not use or store the information received for any purpose.

What is the connection between a Tennessean Warning notice and an informed consent?

After giving a Tennessean warning notice and collecting data from an individual, a government entity may wish to use the data differently than it described, or may wish to release the data to a different entity or person other than it described in the notice. In either of these situations, the government entity would need to obtain informed consent from the data subject.

What else should a government entity consider when creating Tennessean warning notices?

- A government entity should seek legal advice when developing Tennessean warning notices to ensure that they are tailored to meet the entity's specific needs for that data collection.
- A government entity should not try to develop an all-purpose Tennessean warning notice. Most government entities need to develop several Tennessean warnings, each one tailored for the specific program or reason for collecting the data.
- A government entity should consult its legal advisors to identify the specific legal authority to collect the data, which will help determine the specific reasons for which the entity is collecting the data, how it will use the data within the entity, and who outside the entity is authorized to get access to the data.
- The law does not require written Tennessean warning notices, but written documentation is recommended. It's a good idea to ask the individual to sign and date the notice, and give her/him a copy. If the Tennessean warning notice is given in electronic format, an e-form should provide a way for the individual to indicate that s/he has read and understands the notice.

Chapter 9. District Liability

Insurance Needs for Watershed Districts

This summary is not meant to be all-inclusive. Any insurance purchases and/or risk management decisions made are the responsibility of the Board of Managers. Managers should seek advice from their insurance agent and attorney in order to make informed decisions. Watershed Districts, like any other public or private business, have inherent exposures to many types of liability risk.

Since Watershed Districts are a governmental entity, they are governed by state law and are afforded some limitations to their liability exposure. Specifically, M.S. Chapter 466.04 caps civil liabilities (tort immunity law) at \$300,000 per person and \$1,000,000 per occurrence. In the past, the Minnesota State Legislature has adjusted this limit upwards. This limit applies to torts under state law, not federal law. Consequently, Watershed Districts also have risk exposures for actions that may not be subject to the MN tort immunity law and have no limit on their liability exposure.

In order to limit exposure and protect against these liabilities, whether subject to tort immunity or not, it is imperative that Watershed Districts consider purchasing liability insurance coverage as part of their risk management program. The cost of defending liability claims can make up a substantial portion of legal expenses for Watershed Districts, and in most cases, it can be cost effective to transfer these risk exposures through the purchase of insurance rather than engaging the District's own legal counsel. Insurance companies typically hire attorneys that have special expertise in the cause of action.

Section 1. General Liability

Commercial General Liability

In general, this type of insurance protects the Watershed District in the event of claims for bodily injury or property damage. Policy language and limits can vary between contracts (policies) and insurance carriers.

Event coverage should be considered as well. Districts should contact their insurance agents for assistance.

Public Officials Errors and Omissions

Also referred to as E&O coverage, this insurance protects the Watershed District for damages that can occur as the result of errors and/or omissions made by staff or the board subject to policy language. E&O insurance is needed because these types of exposures are typically excluded from a commercial general liability policy. Again, policy language and limits can vary.

Public Officials Bond

Minnesota Statute 103D.315 establishes a bond requirement for public officials, but this limit may not be adequate for most Watershed Districts. Each manager must file a bond with BWSR before assuming manager's duties. Many Watershed Districts presently use what is

commonly referred to as a “position bond.” This is a single bond that lists the positions of the board and not the individual manager. The benefit to this practice is that a new bond is not required each time a new manager is appointed. A variety of bonds are allowed. The amount of the bond is \$1000, unless it is increased by BWSR. The Watershed District board should examine the bond limits as well as the financial controls that are in place in order to protect the public from misappropriation and or theft of public funds. Controls to consider would be to separate duties between staff, such as: deposits and withdrawals, having multiple parties sign checks, bank account reconciliation on a monthly basis and audit of funds. In order to obtain the bond, most, if not all, of the controls are required.

Directors and Officers

Situations may arise where the personal assets of board members can be at risk. This liability coverage protects their personal assets for actions or decisions made on behalf of the Watershed District.

Employment Practices and Employee Benefits Liability

In order to attract and retain key personnel, a comprehensive employee benefits program may provide a competitive edge. Due to the complexity surrounding employment law and the ongoing changes and reporting requirements, inadvertent errors can occur. From a management prospective, it may be prudent to carry insurance coverage to protect against such errors.

Section 2. Insurance and Loss Control

Workers Compensation

If the District has employees, state law requires the District to carry workers compensation coverage for injuries to employees during the course of their employment. Managers can be also be included as covered employees under workers compensation.

Automobile

Minnesota state law requires that automobile liability coverage be in place for any vehicle owned by the District. Employees, using their own vehicles for Watershed District business, must carry valid automobile insurance and adequate limits. The Watershed District should verify that all employees comply.

In order to protect the District against claims from parties injured or harmed by an employee or manager during the course of Watershed District business, the Watershed District should consider carrying *Hired and Non-Owned Automobile coverage*. This insurance is excess coverage that applies to the Watershed District only and does not protect the employee or the manager.

Property, Inland Marine and Electronic Data Processing Coverage

Property, business contents, monitors for water flow, or computers can be vulnerable to vandalism, fire and theft. It would be wise to consider insuring those items against loss.

Other Insurance Coverage to Consider

Open Meeting Law

The League of Minnesota Cities Insurance Trust (LMCIT) provides an optional reimbursement of defense costs policy for violations of the Minnesota Open Meeting Law.

Volunteer Accident Coverage

If the Watershed District utilizes the assistance of a number of volunteers for a construction project; clean up day, et al, it may be prudent to consider obtaining an accident policy to protect the volunteers while doing work on the District's behalf.

Service Providers-Independent Contractors, et al.

Most Watershed Districts obtain services from a variety of vendors including, contractors, engineers, accountants and attorneys. No matter the relationship with the vendor, it is important to obtain current certificates of insurance from vendors at or above the limits of insurance carried by the Watershed District. The District's attorney and insurance agent can assist the District in developing contract language that should protect the Watershed District from claims associated with consultants and contractors. Issues to review include: indemnity provisions, hold harmless clauses, being named on the policy, adequate limits, appropriateness of the deductible and solvency of the insurance company.

Chapter 10. Records Management

Records management is the systematic care of records throughout their lifecycle—ensuring they are created to meet legal and administrative needs, retained and disposed of based on analysis of their function and value, and preserved properly while remaining accessible. Managing the records of Minnesota Watershed Districts is important and essential work. Not only do records help conduct operations, they preserve the organization’s memory and document their activities. When organized and maintained properly, they can be an organization’s greatest asset.

Section 1. Monthly Accounting

Watershed District should have the following suggested records:

- ***Books of original entry.*** This should include the general journal, a cash receipts ledger, a voucher or check register, a payroll register, and a bond and interest register.
- ***Ledgers or books of account.*** This should include the general ledger, revenue ledger, expenditure ledger and other subsidiary ledgers.

The District should maintain a separate accounting for each separate fund.

At periodic intervals, preferably at the end of each month, an accounting report called a “financial statement” should be prepared for each individual fund and for the city as a whole. The report should show the financial condition of each fund at that particular time.

The financial statement is one of the most important instruments of administrative control. In addition to checking on the accuracy of the accounting records, financial statements help keep the managers aware of the District’s financial condition and the manner in which the budget is being executed. Financial statements should supplement, not replace, other periodic reports dealing specifically with the execution of the budget.

Watershed Districts should contact the State Archives Department of the Minnesota Historical Society at www.mnhs.org/preserve/records/index.html for more information regarding retention of records. Watershed Districts could choose to follow the city retention schedules provided. See the Appendix for an example of a retention schedule. Accounts receivable, all transactions journal for the General Ledger are kept for six years, but not required to be maintained in the State Archives. The Statute of Limitations is six years and is a general guideline to use for record retention when limits are not specified legally.

Section 2. Taxes

Watershed Districts must file quarterly federal and state payroll returns as well as sales and use tax reports. Since there are no legal requirements for retention, review the guidelines provided in the State Archives website or the Retention Schedule Example in the Appendix.

Section 3. Government Records

Access to Minnesota government records is guaranteed and regulated by the Minnesota Government Data Practices Act (MGDPA), Minnesota Statutes Chapter 13, and Minnesota Rules Chapter 1205.

State law (M.S. Chapter 15.17) requires all units of local government, including Watershed Districts, to “make and preserve all records necessary for a full and accurate knowledge of their official activities.” Minnesota statute further states that the chief administrative officer of the office or agency is responsible for creating and preserving government records. It follows in the normal course of doing business that all staff members share this responsibility by following the District’s policies and procedures.

Government data refers to all data collected, created, received, maintained or disseminated by a government agency regardless of its physical form, storage media or conditions of use. Government records can include correspondence, maps, memoranda, papers, photographs, reports, writings, recordings, e-mail, and other documentary material. Records can be stored on paper, microform, audio and video tape, photographic materials and computer disks. For purposes of illustration, an e-mail message is often considered a record based on the content of the message while the format (electronic) makes no difference.

All managers are encouraged to review *Preserving and Disposing of Government Records* available from the Minnesota Department of Administration, Information Policy Analysis Division at http://www.ipad.state.mn.us/docs/p_d.pdf.

Government data refers to all data collected, created, received, maintained or disseminated by a government agency regardless of its physical form, storage media or conditions of use. Government records can include correspondence, maps, memoranda, papers, photographs, reports, writings, recordings, e-mail, and other documentary material. Records can be stored on paper, microform, audio and video tape, photographic materials and computer disks. For purposes of illustration, an e-mail message is often considered a record based on the content of the message while the format (electronic) makes no difference.

Section 4. Minnesota Government Data Practices Act (MGDPA)

All Watershed Districts must comply with the Minnesota Government Data Practices Act. This means Districts need to designate a responsibility authority and a data practices compliance official (they may be the same person) and establish specific data practices policies and procedures. Part of establishing procedures is to identify all types of data maintained by the District, determine what data are private, organize and maintain it in an easily accessible manner, and write public-access procedures. The responsible party needs to respond to questions from persons attempting to access data under the Data Practices Act.

The basic tenet of MGDPA is that government records are presumed to be public and open to everyone unless the data in the records are classified as not public. A basic summary of the classifications is as follows:

Data on Individuals	Meaning of Classification	Data not on Individuals
Public	Available to anyone for any reason	Public
Private	Available only to the data subject and to anyone authorized by the data subject or by law to see it	Nonpublic
Confidential	Not available to the public or to the data subject	Protected Nonpublic

Some of the items to note under MGDPA include:

- Government agencies must allow public records to be viewed for free.
- Government agencies may charge for photocopies of records as long as the fee does not exceed the actual costs of searching for, retrieving or making copies of the requested data.
- Citizens and researchers do not need to identify them or give reasons for viewing public records.
- Government agencies that maintain public data in a computer storage medium are required to provide copies, upon request, in electronic form if copies can be reasonably made.

Entities holding and managing government records can be sued for improperly releasing information protected under the MGDPA; however, withholding records that are open to the public can be embarrassing for the District.

- Although a model policy document created by the Minnesota Department of Administration, Information Policy Analysis Division entitled *Model Policy: Public Access to Government Data and Rights of Subjects of Data* found at http://www.ipad.state.mn.us/docs/model_policy.doc is a useful publication, no one set of policy and procedures work for all agencies. Each District will need to design their own procedures, keeping in mind services provided and the accessibility and security of collections.

Section 5. Records Inventory

It is important to have a written list or inventory of the records held by any District. Not only does this provide a finding aid for anyone requesting information, it also is the basis for ensuring the records retention schedule covers all records. These inventories can appear in many forms, including handwritten lists, online catalogs, card catalogs, online databases, etc. For a sample inventory, please refer to the publication *Managing Your Government Records: Guidelines for Archives and Agencies* available from the Minnesota Historical Society, State Archives Department at: <http://www.mnhs.org/preserve/records/recordsguidelines/guidelines.html> .

Section 6. Records Retention

The county and regional offices of Watershed Districts and soil and water conservation Districts contain many series of records that have significant historical value. When the records listed below no longer have administrative value to the District offices, they may be eligible for transfer to the State Archives at the Minnesota Historical Society. Those records with potential historical value include:

- Minutes
- Organization records
- Agenda packets
- Annual reports, comprehensive plans, water management plans and work plans
- Annual budgets
- Reports and studies
- Engineer reports
- Project files
- Subject files

A records retention schedule, such as the one found in the Appendix, lists an organization's major record categories along with how long those records should be kept. The major record categories are usually referred to as a record series, which is a set of records grouped together because they serve a common purpose or function or results from the same activity, and the group is then destroyed or archived as a unit.

When determining retention periods for records, consideration should be given to a record's legal/fiscal, administrative, and historical value. Each of these values may be different, and determining an organization's policy will be a balancing act between the risks of destroying records too soon with the risks associated with keeping records too long. After identifying a record series' legal/fiscal, administrative and historical value, the longest retention is usually applied to the series. This does not mean that the record needs to be maintained in active storage for its entire life. Best practices usually entail moving records to inactive storage once their reference rate has dropped below a certain point. See Appendix B-6, for a model records retention schedule.

More information on government records value, appraisal, description and storage issues can be found in *Managing Your Government Records: Guidelines for Archives and Agencies* available at: <http://www.mnhs.org/preserve/records/recordsguidelines/guidelines.html> .

A blank form for compiling a retention schedule, including a records inventory, is available on the MHS site at: <http://www.mnhs.org/preserve/records/recser.html#info> .

Section 7. Managing Active Paper and Electronic Records

In today's working world, records are maintained in both paper format and electronic. It is not uncommon to have the same document in a Word format on a hard drive or server while having the same document in paper format in a file folder. Having it in two (or more) formats

can be confusing. It is recommended that one format be considered official and the other be considered unofficial or work-in-process.

A. Board Meetings

For example, items making up a meeting agenda packet might include an agenda done in Word, a report sent from an outside party, background data gathered from the web, etc. The entire agenda packet could be maintained in paper format as the official record of that meeting. In some cases, however, the agenda items might be scanned and e-mailed to attendees as a PDF attachment before the meeting. In this case, the electronic PDF version might be maintained as the official record of that meeting. Each District should choose which format is considered official and then stick with that format consistently, even if one record series is paper and one is electronic.

Retrieval of records should be quick and easy. To facilitate this, the following recommendations are provided:

- Establish dedicated folders and computer directories for record keeping.
- Develop and agree upon common naming conventions. The vocabulary (or record series) used in the records retention schedule is a good model. More information on describing government records can be found in *Managing Your Government Records: Guidelines for Archives and Agencies* available at: <http://www.mnhs.org/preserve/records/recordsguidelines/guidelines.html> .
- For electronic records, identify metadata (data describing the document) to be maintained. Examples include document title, date of creation, author, data privacy classification, etc. For more information on metadata standards, see the *Trustworthy Information Systems Handbook* available from the Minnesota Historical Society at: <http://www.mnhs.org/preserve/records/tis/tis.html> .
- Document the District's record keeping procedures.
- Train everyone on how the filing system works.
- Make duplicate copies of vital records and store them off site. Backups are meant for system recovery only, not for a record keeping archive.
- Follow the approved records retention schedule, and maintain lists of what records are destroyed when and by whom. Keep in mind that final disposition may mean converting some records to an archival storage medium, such as microfilm, or transferring records to the State Archives.

For more information on managing electronic records, see *Electronic Records Management Guidelines* available from the Minnesota Historical Society at <http://www.mnhs.org/preserve/records/electronicrecords/erguidelines.html> .

Watershed District Handbook

Appendix

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Appendix A-1

The 'Watershed Rulemaking Handbook' is for informational purposes only and does not constitute the giving of legal advice. Please consult your attorney for advice applicable to your circumstances

Watershed Rulemaking Handbook

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FOREWORD

I. WHY MAKE RULES

II. THE RULEMAKING PROCESS

III. GENERAL DRAFTING GUIDELINES: SOME DO'S AND DON'Ts

IV. POLICY CONSIDERATIONS IN WATERSHED RULEMAKING

APPENDICES

A. MODEL RULE FORMAT

FOREWORD

Over forty years ago, the Minnesota Legislature adopted the watershed-based approach to managing water resources. The Minnesota Watershed District Act adopted in 1955 provides for the establishment of watershed districts “to conserve the natural resources of the state by land use planning, flood control, and other conservation projects.” By creating a special purpose local unit of government defined by hydrologic boundaries, the legislature provided for our water resources to be managed by boards of local citizens charged with implementing a comprehensive “watershed vision.”

Of course, watershed districts do not work in isolation. While responsibility for land use and zoning regulation continues to rest principally with municipalities, watershed districts supplement municipal regulation with an exclusive focus on water quality and flood control. This watershed approach is now considered the national model, but water resources management has nevertheless become more complex and challenging. Many jurisdictions are now involved in water policy at the federal, state, and local levels of government. In *Crosscurrents: Managing Water Resources*, the Minnesota Planning Agency recognized this complexity and the need to streamline water management by delegating responsibility to the local level of government the level closest to the resource.

In the interest of supporting the local watershed approach, the Minnesota Board of Water and Soil Resources has joined with the Minnesota Association of Watershed Districts to create this handbook to serve as a resource in watershed district rulemaking. While every watershed district is unique and confronted with its own set of challenges, we hope that this handbook provides a common, practical resource to guide your local regulatory program.

Woody Love, President

Kathleen Roer, Chair

Minnesota Association of Watershed Districts Board of Water and Soil Resources

I. WHY MAKE RULES

Watershed districts are mandated by the legislature to adopt rules. The legislature has declared that all watershed districts in Minnesota “must adopt rules to accomplish the purposes of the [Watershed District Act] and to implement the powers of the managers.” The Watershed District Act separately delineates these “purposes” and “powers.”

A. Accomplishing Watershed District Purposes

Pursuant to Minnesota Statutes Section 103D.201, a watershed district may be established for any of the following purposes:

1. To control or alleviate damage from flood waters;
2. To improve stream channels for drainage, navigation, and any other public purpose;

3. To reclaim or fill wet and overflowed land;
4. To provide a water supply for irrigation;
5. To regulate the flow of streams and conserve the streams' water;
6. To divert or change all or part of watercourses;
7. To provide or conserve water supply for domestic, industrial, recreational, agricultural, or other public use;
8. To provide for sanitation and public health, and regulate the use of streams, ditches, or watercourses to dispose of waste;
9. To repair, improve, relocate, modify, consolidate, and abandon all or part of drainage systems within a watershed district;
10. To control or alleviate soil erosion and siltation of watercourses or water basins;
11. To regulate improvements by riparian property owners of the beds, banks, and shores of lakes, streams, and wetlands for preservation and beneficial public use;
12. To provide for hydroelectric power generation;
13. To protect or enhance the water quality in watercourses in water basins; and
14. To provide for the protection of groundwater and regulate its use to preserve it for beneficial purposes.

Each of these listed purposes contemplates either the exercise of regulatory authority, or the construction of capital improvements, or both. While it has been argued that these purposes do not by themselves constitute an express power to exercise regulatory authority, this issue has not been squarely decided by the courts. The legislature has authorized rulemaking to accomplish watershed district purposes, and thus rules which do so should be presumed valid, regardless of whether they also implement an express power of a watershed district.

B. Implementing Watershed District Powers

Watershed districts have the following specific governmental powers authorized by Minnesota Statutes § 103D.335:

1. General powers. To the extent necessary for lawful conservation purposes:
 - a. to sue and be sued;
 - b. to incur debts, liabilities, and obligations;
 - c. to exercise the power of eminent domain;
 - d. to provide for assessments and to issue certificates, warrants, and bonds; and
 - e. to perform all acts expressly authorized, and all other acts necessary and proper for the watershed district to carry out and exercise the powers expressly vested in it.
2. Joint powers. To enter joint powers agreements;
3. Acquire and dispose of property from state and federal agencies;

4. Data acquisition. Make necessary or use reliable surveys and hydrologic data;
5. Cooperate or contract with governmental or non-governmental agencies;
6. Perform ditch and watercourse work;
7. Water control works. Acquire, operate, construct and maintain water control works;
8. Water use and conservation. Conserve and control the use of water within the watershed district;
9. Acquire property by gift, purchase, taking under the procedures of this chapter, or by the right of eminent domain, necessary real and personal property;
10. Enter Into Contracts for construction or implementation authorized by law;
11. Enter Lands inside or outside the watershed district to make surveys and investigations to accomplish the purposes of the watershed district;
12. Take over a drainage system when so directed by a drainage authority;
13. Sanitation and pollution prevention. Provide for sanitation and public health and regulate the use of streams, ditches, or watercourses to dispose of waste and prevent pollution;
14. Borrow Funds from government agencies or financial institutions;
15. Prepare floodplain maps of the lands of the watershed district located in the floodplain of lakes and watercourses;
16. Control land use and development in the floodplain, greenbelt, and open space areas of the watershed district in the absence of county or municipal ordinances regulating these matters;
17. State association membership. Appropriate necessary funds to provide for membership in a state association of watershed districts;
18. Enter into contracts with other governmental bodies for cooperation and assistance;
19. Projects in other states. Purchase lease or acquire land or other property in adjoining states for watershed purposes;
20. Regulate land use and development in the Metropolitan area under the conditions specified in Section 103B.211, subdivision 1; and
21. Water resource management activities. Conduct studies and monitoring of water resources within the watershed and implement resource management programs.

Many of these express watershed district powers do not contemplate the exercise of regulatory authority. A few of these express powers require further amplification or clarification through rules. The rules adopted by a watershed district should be based legally on a specific “purpose” or an express “power,” and ideally both.

C. Other Reasons to Adopt Rules

Watershed district rules should not be considered simply a response to a legislative mandate. Rules serve several key functions for your watershed.

1. Rules Implement Your Watershed Plan

Your district's rules establish basic policies for your watershed. Through creating your watershed district, and preparing a water resources management plan, your board of managers has expressed the essential mission and key goals for your watershed.

You may consider the implementation of your watershed district plan to be a “three-legged stool.” Some of these goals are best accomplished through constructing capital improvements. Other watershed goals may be achieved simply through public education. The third leg of the stool is the regulatory program expressed through the watershed district's rules. Your rules reflect important decisions about the types of land use and water-related activities which your watershed district may prohibit or restrain.

2. Rules Guide the Public Through Your Permitting Process

Exercise of control or regulation of land use and water resource activities is implemented through a permitting program. Rules provide the essential function of affording notice and general guidance to the public about the substantive criteria considered by a watershed district board of managers determining whether and under what terms to grant a permit. The rules also provide guidance to the public on the procedures for applying for permits and the enforcement of permit terms and conditions.

3. Rules Legislate General Prospective Policy

Just as the landscape within a watershed is constantly evolving, new policy problems continuously evolve for a watershed district. Some of these problems are best resolved in a case by case approach, based upon unique facts and circumstances. Other problems represent larger, more general policy questions. Sorting through these issues requires a board of managers to determine whether to “legislate” general future policy, or to “adjudicate” by deciding policy issues one case at a time. Although the Minnesota Administrative Procedures Act only applies to state agencies and not to watershed districts, it is instructive to note that all state agencies must follow a public rulemaking process whenever they adopt “any agency statement of general applicability and future effect.”

Prospective rulemaking has the advantage of providing wider notice to the public and therefore more public participation in making watershed policy. Ideally, more public participation will provide the board of managers with more information on a particular issue and the implications of particular policy decisions. Rulemaking also allows the board of managers to practice “preventative medicine” by setting the policy agenda and addressing issues early. A policy decision expressed through an adopted rule also will lead to more uniform application of policy, avoiding inconsistencies from case to case.

D. Not All Policy Decisions Are Rules

Some policy decisions are best confined to individual situations, leaving the board of managers to adopt changes gradually within the language of existing rules. So long as the decision does not conflict with the clear terms of the rule, and is supported with facts in the record, making policy through “adjudication” may be prudent and perfectly appropriate.

Other policy decisions do not affect the rights of the public and concern the internal management of the watershed district. Personnel policies, records management, and other internal matters need not be addressed through rules.

II. THE RULEMAKING PROCESS

This Section of the Handbook presents a “problem-solving” approach to rulemaking; reviews procedural steps to follow in drafting and adopting rules; discusses the use of a Statement of Need and Reasonableness, or “SONAR;” and describes some alternative means of assuring public participation in the rulemaking process.

A. Rulemaking as Problem-Solving

The rulemaking process begins with the question -- why regulate? By adopting and enforcing rules, your watershed district will be making policy which has the force of law. You will be asserting a classic role of government to restrain or prohibit private activities because of their effect on water resources. This is not a role to take lightly; adopting a rule should be accompanied by the will to enforce it when necessary.

1. Define the Problem

It is in the long term interest of your watershed district to assure that your regulatory program expressed through your rules is the result of careful analysis of the needs and priorities of your watershed. Begin by considering the petition which created your watershed district: what were the basic purposes for which your watershed district was formed?

Next consider the key water resource problems identified in your plan. For example, is flooding a primary concern? Under what circumstances and in what areas is the flooding occurring? Is water quality declining? What lakes, streams, or wetlands are of particular concern? Is erosion a problem? Where? Is shoreline and lake vegetation being destroyed?

These kinds of questions should be asked and answered in your plan. The intensive study of your watershed, and the long term perspective reflected in your plan will help you to base your rulemaking on the most important problems. This perspective will also help to assure that your rules will provide sound policy through both the “high water” and “low water” years.

2. Focus Your Efforts

As you identify key problems to address through rulemaking, determine the underlying causes for these problems. For example, if the problem is declining water quality, the cause of the decline may be excessive nutrient loading from livestock, fertilizer or stormwater, or the cause may be excessive sedimentation from erosion. Again, your watershed district plan should contain much of this information.

Identifying the cause of the problem is an important step in rulemaking because it assures that your watershed district is focusing its energy and efforts in the most effective manner. No watershed district has the resources to regulate everything that may be considered a concern. Regulate the activity that has the most harmful consequences. Identifying the causes of the problem is also important because, if a rule or permit decision is challenged, your watershed district will have evidence to show why a rule was enacted and how the provisions of the rule are “rationally related” to remedying the identified problem.

Keep in mind also that some problems are not best addressed by a watershed district through regulation. Public education about best management practices, partnerships that create incentives to implement these best management practices, or direct watershed capital improvement projects may provide better alternatives to regulation.

As you develop your watershed district’s regulatory solutions to the problem you have identified, it is worth considering whether other watershed districts have addressed similar problems. Section IV of this Handbook provides a review of the policy considerations for many of the subjects regulated by watershed districts. Appendix B provides a survey of watershed district rules.

3. Consider Regulations from Other Agencies and Avoid Duplication

Another important step in the watershed rulemaking process is to investigate and determine whether the harmful activity is currently being regulated by other government agencies. This step is important for several reasons. Your watershed district can avoid unnecessary duplication of regulation, thereby reducing the various layers of government confronting the public. There is no need to waste your watershed district resources to address issues already regulated effectively by other agencies of government.

Your watershed district may also be in a position to learn whether the method of regulation chosen by the federal, state or other local government agency is effective. You may be in a position to learn from their mistakes, or to make policy changes which these other agencies cannot adopt due to bureaucratic or other constraints. We live in an era when many effective policy initiatives are arising from local government, and less initiatives emanate from Washington D.C.

You may also find that the method of regulation adopted by another government agency is effective, but it is not being enforced within your watershed due to a lack of administrative resources. If this is the case, you may find that your watershed district goals can also be

served through a partnership with this other agency. Such a partnership can be accomplished through regulatory delegation, a general permit, or a joint powers agreement.

4. Consider Good Will

As you consider whether to address a problem in your watershed through rulemaking, consider also the management of a critical, though intangible, resource: the good will of the public. Rules which solve problems but also have the support of your watershed stakeholders will inevitably be the most effective over the long term. Engaging these stakeholders in the rulemaking process, which is discussed more fully below, is essential from the very beginning of this problem-solving process.

B. The Drafting Stage: the Rule and the SONAR

The next step in the process is to draft the proposed rule and an accompanying Statement of Need and Reasonableness or “SONAR.” Rule drafting is an interdisciplinary process, involving your attorney, your engineer, your administrator and possibly other staff. The watershed district attorney should determine that there is proper legal authority for the proposed rule, and review proposed language to assure clarity, evidentiary support for the rule in the record, and compatibility of the proposed rule with other existing rules. Section III of this Handbook provides further drafting guidelines.

The watershed district engineer and other technical staff guide the substance of the rule to assure that the problem-solving approach developed for the proposed rule has technical merit. Your technical staff will have knowledge of the best management practices, and the structural or nonstructural solutions to the problem your proposed rule is addressing. They also provide the technical analysis in supporting materials in the record.

The watershed district administrator coordinates all of these players to manage this process. Each watershed district of course will utilize these players as appropriate to the issues and resources of the watershed.

The board of managers is ultimately responsible to decide whether a proposed rule should be adopted, and in what form. The fundamental policy decisions described in the “problem-solving” process above are decisions for managers to make based on staff and consultant analysis and recommendations. The board of managers’ decision to adopt a rule reflects a judgment that the rule is in the best interests of the public health and welfare and accomplishes the purposes or implements the powers of the watershed district.

A SONAR is simply a document that discusses the proposed rules or rules revisions and gives the reasoning for the rules. The reasoning for the rules should include the problem the rules seek to address, the causes of the problem, and why the method selected is the best method for addressing the problem and its causes. If the watershed district has followed the problem-solving steps described above, the SONAR should be quite simple to draft. Although not required by law, drafting a SONAR can result in a smoother rule adoption process because

people interested in the rule have a better understanding of the purpose of the rule and the district will spend less time explaining why a measure is being proposed.

C. Public Participation in Rulemaking

Much of the success in the rulemaking process is determined by how effectively you engage the public and watershed stakeholders. Depending upon the complexity and level of controversy surrounding your proposed rule, you have a variety of ways to assure public participation.

1. The Basics

The legislature has prescribed a simple process for adopting watershed district rules, which can be considered a basic checklist. See Minn. Stat. § 103D.341. Any rules adopted by your watershed district must include these eight basic steps:

a. Publish notice of a hearing on the proposed rule.

The notice must be published in one or more legal newspapers published in the county and generally circulated in the watershed district. The statute does not specify a minimum notice period, but it is prudent to follow the same procedure required for noticing watershed capital improvements: publish two times, in successive weeks, with the last publication occurring at least 10 days before the hearing.

b. Submit the proposed rule to BWSR for review and comment.

BWSR's review is advisory, meaning their comments should be carefully considered but need not be adopted in the rule. The statute provides that BWSR has a period of 45 days to review the rule before it can be adopted by the watershed district.

c. Hold a public hearing.

d. Vote on the adoption of the proposed rule.

The board of managers may vote immediately after closing the public hearing, but if there are extensive or conflicting comments, it may be appropriate to conduct the deliberations of the board of managers at a subsequent meeting. A majority vote of the managers is required to adopt or amend rules.

e. Sign and record the adopted rule.

The rules must be signed by the Secretary of the Board of Managers and recorded in the minute book.

f. Publish notice of the adopted rule.

Follow the same procedures as for publishing notice of the public hearing in order to advise the public that your rule has been adopted.

g. File the adopted rule with the county recorder and BWSR.

The adopted rule must be filed with the county recorder for each county in the watershed district and with BWSR. It may be useful to provide your county recorders with a citation to Minnesota Statutes Section 103D.341, subdivision 2(c) to explain why you are sending these rules to them.

h. Mail the adopted rule to each municipality in the watershed district.

The rule is not legally effective within the boundaries of a municipality until it has been sent to the governing body of that municipality.

2. Beyond the Basics

More complex or controversial rules may require additional measures to engage the public in the rulemaking process. Advisory Committees comprised of local citizens or technical experts may also provide valuable feedback and direction. You may elect to go beyond published notice to provide specific notice of your proposed rule to identified stakeholders in your watershed. Carefully consider who will be most directly affected by your proposed rule. Municipalities, counties, state or federal agencies, property owners or developer associations, and conservation groups may be some of the possible stakeholders in your watershed who would be interested in receiving a copy of the proposed rule.

It may be useful to solicit comments directly from these stakeholders. Many may choose to send written comments to the watershed district instead of or in addition to attending the public hearing. You may find that in some cases a log of telephone comments is another useful means of obtaining public input on your proposed rule. Electronic mail and a web site provide a similar opportunity for a “virtual public hearing.”

You may also find that it is useful to provide for an extended comment period or a series of public hearings and informational meetings. Complicated or controversial rules may benefit from more time taken in the rulemaking process.

Whether any of these measures beyond the “basics” is worthwhile will depend upon the particular problems you are tackling through your rulemaking process. One further approach to consider is called “negotiated rulemaking.”

3. Negotiated Rulemaking

In some cases, a negotiated rulemaking approach can reduce or eliminate opposition to a proposed rule, and can render a more effective rule that is easier for your watershed district to enforce. This approach involves meeting with representatives of affected parties or stakeholders to seek a consensus solution to the watershed problem.

With all of these stakeholders involved, each contributing their own technical or policy expertise, the watershed district may be able to develop a more comprehensive rule. Bringing affected parties into the process directly allows them to begin to adopt the new regulatory environment even as the new rule is being formulated. Achieving consensus in the rulemaking process can reduce or even eliminate political opposition to the proposed rule. A negotiated rule should also be easier to enforce - affected parties will not only cooperate with the rule, but they may also want to assure that their competitors do not unfairly profit by breaking the rule.

Negotiated rulemaking is not always suitable. If your watershed district is considering this approach, you will benefit by first asking a series of questions:

Are there a reasonably limited number of stakeholders and affected parties? Too large a group (over 25) will present an unmanageable array of interests and issues, rendering consensus difficult if not impossible to obtain.

Can you convene a reasonably balanced work group? Seek balance both in terms of numbers and expertise. Avoid an imbalance of interests that would prompt stakeholders to question the fairness of the process or your watershed district's openness to a variety of possible outcomes.

Will you have a working group? There is no point to convening a negotiated rulemaking process if the participants do not have the time or resources to participate in a meaningful way. Working effectively also means that the members of the working group indicate a willingness to compromise.

Can you watershed district adequately lead or support the working group? The working group may require your watershed district to provide the facilities and technical expertise to assure that negotiators have enough information to make informed decisions. Occasionally outside consultants may assist the working group with information or insight that the working group members do not already have. In some cases, it may also be helpful for your watershed district to bring in an outside facilitator or neutral mediator, rather than to direct the process itself. This outside neutral may be especially appropriate if your watershed district is inclined to take a more active, advocacy role in the negotiations.

Will negotiation cause too much delay? Negotiation, especially negotiation seeking consensus, takes time. Your watershed district may face a rulemaking problem that requires immediate attention, in which case negotiated rulemaking is not appropriate.

Are there meaningful deadlines? A working group that understands and supports a deadline for the negotiation process is much more likely to achieve consensus.

What if consensus turns out to be impossible? Despite the best of intentions, the goal of consensus is not always attainable. Even without achieving consensus, there still can be value in having pursued the negotiated rulemaking process. Many areas of agreement can be identified, and your watershed district's rule will reflect a majority if not all of the identified stakeholders.

D. The Rulemaking Record

1. The importance of creating a record.

Creating a rulemaking record is easy and serves several important purposes. First, a sound record will assist a watershed district in defending a rule if the rule is the subject of a legal challenge. A court reviewing a rule will be more likely to determine that the rule is reasonable and supported by the record if the record is thorough and complete. Creation of a rulemaking record that sets out the facts and reasons for a rule may also assist future managers and district staff by explaining the intent and purpose of the rule.

Creation of a rulemaking record will also facilitate public participation and public confidence in the rulemaking process because public access to the record will allow interested persons to become more informed about the rule and the process. A well developed record will indicate that the watershed district takes a serious and informed approach to the problem, the solution, and the process.

2. What should be in the record?

The rulemaking record includes all of the notice procedures undertaken by the watershed district and any correspondence or comments relating to the rule or the rulemaking process. The rulemaking record should also include minutes of any board meeting or hearing where the rule was discussed. It is also helpful, although not required, to create and place in the record a list of persons attending public hearings or meetings on the rule.

Most importantly, the record should contain evidence or factual support for the rule. The record should reflect the factual documentation of the problem you are addressing through the rule and reflect the policy alternatives that were considered and balanced by the board of managers. Creation of a Statement of Need and Reasonableness (SONAR) can serve to provide all of this information in one document that then becomes part of the record.

The question of how much evidence is enough to withstand a challenge to the rule depends on a number of factors such as: (1) how significant a burden the rule would place on regulated parties; (2) how much controversy surrounds the rule; (3) how sophisticated and organized is the opposition to the rule; and (4) whether the rule establishes rates or fees. If the rule places a significant burden on parties, is controversial, or establishes rates or fees, the record should include more extensive documentation. If the opposition to the rule is sophisticated and

organized, more extensive documentation may be necessary to respond to the concerns raised by the opposition.

One simple way to obtain factual support for the rule is to contact other agency personnel and gather their comments on a rule. A letter from the DNR, MPCA, Department of Agriculture, or local soil and water conservation district for example supporting your rule is an easy way to generate factual support for the rule.

III. GENERAL DRAFTING GUIDELINES: SOME DO'S AND DON'Ts

A. Do clearly state what is required or prohibited.

The number one rule of rule drafting is clarity. Ambiguous, vague language is not enforceable, or at least invites enforcement problems. Watershed districts need not only regulate through permits. Simple notification of specified activities, similar to the process used by the Army Corps of Engineers for general permits, may provide your watershed district with important information about activities affecting your watershed without consuming administrative resources through permit review. Regardless of the option chosen - permitting or notification - it is important that the rules clearly state what is required.

B. Do establish substantive criteria for issuing permits.

If your watershed district requires a permit for a certain type of activity, the rules should also state the substantive criteria that the project must meet in order for a permit to be issued. For example, if your watershed district requires a permit prior to the installation or replacement of drainage tiles, the rules should set out the criteria that the installation must meet. There are “design” criteria which specify a preferred design that is generally accepted as a best practice. There are also “performance” criteria which do not specify a design, but rather the outcomes which any design is required to achieve.

Specifying the substantive criteria to guide permit decisions is a fundamental, legislative exercise for watershed districts. While it is desirable to maintain reasonable flexibility for both the benefit of the permit applicants and the board of managers, the substantive standards should be as specific as possible. These criteria may be listed in the rules themselves or, if the standards are long or are listed in a readily available source such as a handbook or manual, the rule may reference another source. Incorporated sources should be referenced with precision. A reference to “all other applicable regulations and laws” merely invites permit applicants and the courts to guess at what your watershed district intended.

C. Do specify the information or exhibits that must accompany a permit application.

The rules should list the information or exhibits a permit applicant must submit along with the permit application. This information should be included in the rules because most watershed district rules state that the district will act on a permit application within a certain time frame, usually within 30-60 days of receipt of the permit application and supporting data. A clear, specific list of required supporting data will guide both the applicant and the district in

determining when an application is complete and considered “received.” This ensures that permit applicants will be treated fairly and it also reduces the amount of time staff must spend requesting additional information.

D. Do clarify whether permits can be issued by staff or require board action.

It is helpful for the rules to state explicitly whether permits can be issued by district staff or if the permit requires action by the board of managers. Inclusion of such language in the rules both ensures that permit applicants will be treated equally and helps establish permit applicant expectations.

If staff will have the authority to issue permits, your watershed district should consider including language in the rules setting out the circumstances when the board may step in and require full board review. One way to resolve the issue is to create two classes of permits: staff issued permits and board issued permits. The rules can provide that staff will issue permits for projects meeting certain substantive criteria, but that proposed projects that do not meet those criteria will require board action.

E. Do establish variance procedures.

If your watershed district allows variances from strict adherence to district rules, the rules should include a section on variances. The rules should state that variances may be granted and under what circumstances. Most rules provide for variances “when strict enforcement of the rules would result in undue hardship.” “Undue hardship” should be defined, as in this example:

“Hardship” as used in connection with the granting of a variance means the property in question cannot be put to a reasonable use if used under the conditions allowed by these Rules; the plight of the landowner is due to circumstances unique to the property not created by the landowner; and the variances, if granted, will not adversely affect the essential character of the locality and other adjacent land. Economic considerations alone shall not constitute a hardship if a reasonable use for the property exists under the terms of these Rules.

F. Do define terms used throughout the rules.

It is important that the rules define key terms or terms that could become the subject of debate. It is especially critical that the rules define the terms that are used to trigger affirmative action by an individual, such as the terms defining when a permit is required. For example, if a rule requires that an individual obtain a permit prior to draining or filling a wetland, it is essential that at least the term “wetland” if not the terms “draining or filling” be defined. The term “wetland” is a key term because it triggers the requirement for a permit and the term is also subject to a great deal of debate.

G. Don't rely on the phrase "at the board's discretion."

This guideline is a corollary of the "Do establish clear substantive criteria" guideline discussed above. Some measure of discretion is necessary and acceptable, but your rules must furnish a reasonably clear policy or standard of action which controls and guides your watershed district's decision. A permit applicant or a member of the public should be able to judge whether a permit should be granted based upon the terms of the rule, and not upon the whim or caprice of the board of managers.

H. Don't restate a statute.

Think of your watershed district rules as expressions of policy which amplify or implement a statute. You need not repeat the law that the legislature has already adopted. While it is always important to be mindful of the statutory authority for your rules, reciting the statutory provisions within the rules is unnecessary and can result in conflict if the statutory language is changed.

I. Don't restate agency rules.

With limited exceptions, state agency rules apply across the entire state, regardless of whether a watershed district says so in its rules. There is no need for your watershed district to adopt state agency rules unless the state agency's authority is delegated in some way to your watershed district.

IV. POLICY CONSIDERATIONS IN WATERSHED RULEMAKING

While each watershed district is unique, a survey of watershed district rules indicates that there are a number of common policy considerations. This Section of the Handbook outlines some key considerations for your watershed in the most common policy areas where watershed districts exercise regulatory authority.

A. Stormwater Runoff**1. Introduction**

Uncontrolled stormwater runoff or "non-point source pollution" is often considered the primary cause of water quality deterioration and can exacerbate flooding problems. Effective stormwater management includes regulating the quantity (rate control) and quality of stormwater entering lakes, rivers, and streams. Stormwater management approaches generally fall into two categories:

a. Structural solutions. Examples of structural solutions include:

- retention areas
- swales
- infiltration trenches
- filter strips
- detention basins (wet or dry)
- vegetative buffer zones

b. Nonstructural solutions. Examples of nonstructural solutions include:

- temporary erosion and sedimentation control practices
- street cleaning
- fertilizer and pesticide application control
- solid waste collection
- protection of wetlands, floodplains, and shorelines

The Watershed District Act provides that one of the purposes for which a watershed district may be established is “to protect or enhance the water quality in watercourses or water basins.” Minn. Stat. § 103D.201, Subd. 2(13). Watershed district managers also have the power to regulate and control the use of water within the watershed district and to regulate the use of streams, ditches and watercourses to prevent pollution. Minn. Stat. § 103D.335, subd. 10 and 16. Watershed districts have the power to regulate land use and development within the floodplain, open space, and greenbelt acres of the watershed in absence of county or municipal ordinances regulating these items. Minn. Stat. § 103D.335, subd. 19. Watershed districts in the Twin Cities metropolitan area are authorized to regulate land use and development where local government units have not adopted local water management plans. Minn. Stat. § 103D.335, subd. 23; § 103B.211, subd. 1.

Most watershed districts require significant land use development to provide for the management of stormwater runoff. Several watershed districts, including Prior Lake-Spring Lake and Minnehaha Creek, require some sort of stormwater management plan for both development and redevelopment. The stormwater management plan always requires the use of erosion and sedimentation control best management practices and several watershed districts require structural solutions. Other watershed districts manage stormwater runoff solely through requiring the use of erosion and sedimentation control best management practices.

2. Drafting rules to manage stormwater runoff

Selecting the particular stormwater runoff control methods and means of regulation for your watershed district involves consideration of the policies and circumstances unique to your watershed. There are, however, certain guiding principles that can be used in drafting a stormwater runoff management rule.

a. Establish performance standards

It is important that the goal of the stormwater management plan be defined for the permit applicant. Two examples of performance standards include:

- 1) “Stormwater runoff rates for the proposed project shall not exceed pre-project runoff rates for 2-year and 100-year frequency events.” Prior Lake-Spring Lake Watershed District Rule C, ¶ 3 (b).
- 2) “The rate of stormwater runoff from the site shall not increase as a result of the proposed development. Developed peak rates of runoff shall be controlled such that the existing peak rates are not exceeded. The criteria shall be analyzed and met for runoff producing events of critical duration with return frequencies of 1, 10 and 100 years in the subwatershed in which the site is located.” Minnehaha Creek Watershed District Rule B, ¶ 3 (a).

b. Determine and clearly define the activities to which the stormwater management requirements apply

Most watershed districts provide that erosion and sedimentation control best management practices apply when any type of land altering activity takes place. Other watershed districts require on-site stormwater storage facilities for certain types of activity. On-site storage facilities may be required: (1) on all sites that are being developed; (2) on all sites being developed or redeveloped; or (3) only on larger sites exceeding a certain size. The rule should clearly state which activities trigger the stormwater management requirements.

c. Establish the structural and non-structural requirements for a site

The rules should state if certain types of practices are mandatory or whether the permit applicant can select from a list of approved methods. If the watershed district provides a list of choices of methods, it becomes even more essential that performance standards are established. Essentially, the permit applicant can select an alternative so long as that alternative at that project site achieves the performance standard.

d. If structural components are required, set forth maintenance responsibilities

A common problem with structural components such as swales and detention basins is that they are only effective so long as they are maintained. The rule should establish the party responsible for maintenance, a maintenance schedule, and procedures to follow if maintenance is not performed.

B. Erosion and Sedimentation Control

1. Introduction

In addition to the authority for watershed districts described above in relation to regulations of stormwater runoff, regulation of erosion and sedimentation is authorized by the specific watershed district purpose “to control or alleviate soil erosion and siltation of watercourses or water basins.” Minn. Stat. § 103D.201, Subd. 2(10).

Most watershed districts require some type of erosion and sedimentation control for construction and other land altering activities, although the requirements differ a great deal. Valley Branch, for example, requires sedimentation ponds upstream of all wetlands where grading activities above a certain acreage are proposed. Lac Qui Parle-Yellow Bank requires a permanent grass buffer strip on either side of all new and improved drainage ways.

Some watershed districts treat erosion and sedimentation control as one component of a required stormwater management plan. Other watershed districts treat erosion and sedimentation control as a separate independent requirement. Some watershed districts use a permit system to regulate erosion and sedimentation control, others simply require that erosion and sedimentation control practices be utilized but do not require a permit from the watershed district.

2. Drafting rules to provide for erosion and sedimentation control

As with regulating stormwater runoff, the erosion and sedimentation control methods and means of regulation chosen by your watershed district reflect policy considerations dependent upon the circumstances unique to your watershed. There are, however, certain guiding principles that can be considered in drafting an erosion and sedimentation control rule.

- a. Determine the mechanism for how the watershed district will regulate erosion and sedimentation control - through permitting, notification, or simply requiring certain practices to be followed

Your watershed district may not wish to require a permit for every activity but may wish to ensure that all activities include provisions for erosion and sedimentation control. Alternatives to requiring a permit are to simply require that the district be notified of certain types of activities prior to their commencement and/or to require that certain types of activities, although not requiring a permit or notification, must follow certain standards. The district could also combine permitting and notification by requiring a permit for certain activities with the potential for significant impact (based on acreage or amount of earth disturbed for example) while requiring only notification for activities of lesser consequence.

Regardless of the option chosen - permitting, notification, a combination of the two or neither- it is important that the rules clearly state what is required.

b. Define the type of activities to which the requirements will apply

The rules should clearly state who must get a permit and/or notify the district and for what types of activities. If there are exceptions to requirements, for example based on the acreage impacted, the rules should clearly list these exceptions. If the district is not requiring a permit or notification, the rule should state that neither a permit nor notification is required, but that certain erosion and sedimentation control practices must be used and enforcement action may be taken if it is found that the practices are not in place.

c. Define the practices that must or may be used

There are many types of erosion and sedimentation control best management practices. The rule should state exactly what the district's expectation are. One easy way to define acceptable best management practices is to cite to one of the many erosion and sedimentation control best management practices handbooks available.

d. Determine the types of exhibits that must accompany the permit application

Several watershed districts, including Valley Branch and Minnehaha Creek, require the submittal of a detailed erosion and sedimentation control plan that shows the methods to be used and their location. Other watershed districts require only that practices be put in place. The rule should state the types of exhibits the watershed district will need in order to issue the permit or for notification to be effective.

C. Onsite Sewage Disposal Systems

Effluent from individual onsite disposal systems such as septic tanks can have an extraordinary impact on surface and ground water quality. In Minnesota, the Pollution Control Agency, Department of Health, and Department of Natural Resources regulate onsite disposal systems. Some watershed districts also regulate individual onsite disposal systems.

Watershed districts may regulate onsite sewage disposal systems based on both a specific purpose and an express power. Watershed districts may be established for the specific purpose "to provide for sanitation and public health, and regulate the use of streams, ditches, or watercourses to dispose of waste." Minn. Stat. § 103D.201, Subd. 2(8). Watershed district managers have the express power to "provide for sanitation and public health and regulate the use of streams, ditches, or watercourses to dispose of waste and prevent pollution." Minn. Stat. § 103D.335, Subd. 16.

The most common way watershed districts regulate individual onsite disposal systems is by: (1) prohibiting the construction of onsite disposal systems when municipal collection facilities are available; (2) requiring that individual systems be constructed in accordance with MPCA and Department of Health regulations; and (3) prohibiting systems from outletting directly or indirectly into a lake, river, stream, or public or private drainage system.

There are several other approaches that may assist watershed districts in ensuring that individual onsite disposal systems do not present environmental risks. The watershed district rules can be drafted to set out these requirements.

1. Requiring notification of the installation, abandonment or removal of a system. This notification may be helpful in that it may allow a watershed district to keep an inventory of systems in the watershed. This information can be useful to a watershed district when trying to determine the cause of water quality problems in particular waterbodies.
2. Requiring homeowners to periodically certify that a qualified maintenance firm has inspected and, if necessary, cleaned and pumped the system.
3. Requiring certification of inspection of a system prior to the system changing hands.

D. Livestock Control

Watershed districts may seek to control the impact of livestock on water resources. One of the purposes of watershed districts is “to protect or enhance the water quality in watercourses or water basins.” Minn. Stat. § 103D.201, Subd. 2(13). Watershed district managers also have the express power to “provide for sanitation and public health and regulate the use of streams, ditches, or watercourses to dispose of waste and prevent pollution.” Minn. Stat. § 103D.335, Subd. 16.

At least two watershed districts have provisions for controlling the impact of livestock (other than feedlots which are regulated by the Pollution Control Agency) on water resources. Neither watershed district requires a permit but forbids certain activities.

Buffalo Creek:

Livestock must be prevented from crossing the ditches or any waterways in an unrestricted manner. Fences or any contrivance deemed acceptable by the Board can be used to prevent livestock from crossing ditches and waterways.

Pelican River:

Watering, feeding or pasturing of livestock in a lake designated as General Development or Recreational by the Becker County Zoning Ordinance, or in the shore impact zone of a stream leading directly to such a lake, or in a public ditch, is not permitted.

E. Wetlands

On the state level, wetlands are primarily regulated by the Department of Natural Resources (public water wetlands) and local government units under the Wetland Conservation Act (all wetlands other than public water wetlands). The majority of watershed districts also regulate wetlands in some fashion. In the metropolitan area, watershed districts may regulate wetlands as a local government unit under the Wetland Conservation Act. Minn. Stat. § 103G.005,

Subd. 10e. Watershed districts may also regulate wetlands under the Watershed District Act in furtherance of the district's statutory purpose and pursuant to an express power.

Purposes for which a watershed district may be created include "to control or alleviate soil erosion and siltation of watercourses or water basins," "to regulate improvements by riparian property owners of the beds, banks, and shores of . . . wetlands," and "to protect or enhance the water quality in watercourses or water basins." Minn. Stat. §§ 103D.201, Subd. 2(10) (11), and (13). Regulation of activities affecting wetlands may be in furtherance of these statutory purposes. The express powers described above in relation to stormwater runoff and erosion control may also authorize regulation of wetland activities.

In drafting rules to address wetlands, a watershed district should consider the following:

1. Make sure the term "wetland" is defined in the rules.

Prior to defining the term "wetland," your watershed district must determine which types of wetlands it will exercise jurisdiction over. For example, some watershed districts only regulate Wetland Conservation Act wetlands as the local government unit, leaving regulation of public water wetlands to the Department of Natural Resources. Other watershed districts regulate both types of wetlands or a subcategory of both.

Once it has been determined which types of wetlands will be regulated, the rule should be drafted to clearly set this out. The easiest way to articulate this determination is by defining the term "wetland" in the definition section of the rules.

2. Clearly define the types of activities in wetlands that will be regulated.

Most wetland alteration rules surveyed regulate the "draining" or "filling" of wetlands. These terms should be clearly defined in the definition section of the rules. In addition, your watershed district should give some thought as to whether other activities in wetlands are negatively affecting the quality of the district's wetlands. For example, excavation in wetlands may be harmful but is not being regulated because it is not considered "draining" or "filling." The Wetland Conservation Act does not regulate excavation in wetlands. If your watershed district wishes to regulate this type of activity it should make separate rules requirements addressing excavation.

3. The rules should set out the criteria for wetland alteration.

The rules should set forth the criteria your watershed district will use to determine if wetland alteration will be allowed and the actions required by a permit applicant if the alteration is allowed. For example, will alteration only be allowed if the wetland cannot be avoided? If alteration is allowed, is mitigation or replacement required?

F. Variances

If your watershed district allows variances from strict adherence to district rules, the rules should include a section on variances. The rules should state that variances will be granted and under what circumstances.

Here are two examples of variance criteria:

1. Prior Lake - Spring Lake Watershed District Rule I

VARIANCES AUTHORIZED. The Board of Managers may grant variances from the literal provisions of these Rules. Variances shall only be permitted when they are in harmony with the general purpose and intent of the Rules in cases where there are practical difficulties or particular hardship in the way of carrying out the strict letter of any Rules, and when the terms of the variance are consistent with the District's watershed management plan and Minnesota Statutes, Chapter 103D.

HARDSHIP. "Hardship" as used in connection with the granting of a variance means the property in question cannot be put to a reasonable use if used under the conditions allowed by these Rules; the plight of the landowner is due to circumstances unique to the property not created by the landowner; and the variances, if granted, will not adversely affect the essential character of the locality and other adjacent land. Economic considerations alone shall not constitute a hardship if a reasonable use for the property exists under the terms of these Rules.

2. Sauk River Watershed District Section 1.7

A. Variances Authorized

The Board of Managers may hear request for variances from the literal provisions of these rules in instances where their strict enforcement would cause undue hardship because of circumstances unique to the property under consideration and having made public notice of such hearings. The Board of Managers may grant variances where it is demonstrated that such action will be in keeping with the spirit and intent of these rules.

B. Standard

In order to grant a variance, the Board of Managers shall determine that the special conditions which apply to the structure or land in question do not apply generally to other land or structures in the district, that, in granting of such variance, will not merely serve as a convenience to the applicant and that the variance will not impair or be contrary to the intent of these rules.

APPENDIX A MODEL RULE FORMAT

1. POLICY

This section should briefly discuss the problem the rule is designed to address and the general overall principles the Board wishes to apply.

2. REGULATION

This section succinctly states what is being regulated and how. For example, “A permit is required from the District prior to any person or political subdivision engaging in any landaltering activity that disturbs more than one acre of land.”

3. CRITERIA

This section clearly describes the criteria or standards for determining whether a permit will or will not be granted. For example, “the rate of stormwater runoff from the site shall not increase as a result of the proposed development; peak rates of runoff for the proposed development shall be controlled for runoff events of 1, 10, and 100 year frequencies such that existing peak rates are not exceeded.” A permit applicant and the Board of Managers should be able to determine from reading these criteria whether a permit application should be granted.

4. REQUIRED INFORMATION

This section of the rule should list the type of information a permit applicant must submit with the permit application in order for the Board to act.

5. EXCEPTIONS

This section should list any circumstances where a permit is not required.

Appendix A-2

THE LEGISLATIVE PROCESS

A. Contacting your legislator

Managers must contact their legislators from time to time to inform them on the importance of a bill or issue or on the district's opinion on an issue or bill. To get the name, address and phone of your state representative or senator, contact the House Information Office at 651-296-2146; or the Senate Information Office at 651-296-0504 or visit their web site at www.leg.state.mn.us.

There are four major ways of contacting your legislator; writing a letter, email, phoning, or visiting.

Letter writing

- Keep your letter to one page. The letter should be written or typed clearly and address only one bill or issue.
- Use your own words; don't use prepared letters.
- Include the House or Senate file number if appropriate. House and Senate files numbers can be found on the legislative web site. Sometimes several bills address the same issue.
- Get right to the point. Open the letter with your stand, then use the remainder of the letter supporting your stand and possibly outlining the effects the bill will have if it becomes law.
- Be polite and reasonable.
- Ask for your legislator's position on the bill or issue. Be sure and put your address and phone number so the legislator can contact you.

Address your letter as follows:

The Honorable Jane Doe
Room XX State Capitol
St. Paul, MN 55155

Dear Senator (or Dear Representative) Doe:

E-mail

- Always indicate in the subject line or in the first line of the e-mail that you are a constituent of the legislator you are e-mailing to.
- Legislators receive hundreds of e-mails each day, so they are naturally more inclined to pay attention to those that they know are coming from a constituent.
- Keep your e-mail short and to the point. Ask for a reply, and you may want to offer to meet with them either locally or in St. Paul.
- Always put your regular mail address and phone number in the e-mail.
- Be sure to thank them for their time.

Personal visits

When going to St. Paul, make appointments in advance by contacting their St. Paul office so the legislator can prepare and arrange for your visit. Also, try inviting your legislator to your district meetings.

Phone calls

Use the phone selectively. When calling, know your topic. Know such things as the bill number and status--you can get this information from the House and Senate Information Offices listed above or from the web page --and, if possible, the legislator's opinion on the issue or bill. Leave your name and phone number. Again, let them know that you are their constituent!

Special event activities

- Legislative Breakfast: Attend the MAWD sponsored Annual Legislative Breakfast near the capitol. Watch for details in mailings or the MAWD Newsletter. Similar activities can be held locally between sessions.
- Legislative Tour: Tour of projects your district has done or in which it is involved. This is an excellent way to show your legislators what is happening in your district and how it is benefiting like constituents.

B. How a bill becomes law

A brief explanation of how a bill becomes a law will help you better understand the Legislature. This explanation is for a bill originating in the Senate; of course, bills may also originate in the House. For complete information on bills introduced in either body of the legislature visit the legislative web site for the most up to date information (www.leg.state.mn.us).

1. Proposal: Individuals, public interest groups, state agencies or business organizations transform a proposal into a specific legislative package with the help of a legislator.
2. Bill drafting: An attorney from the Office of the Revisor of Statutes, a private attorney or a House or Senate staff attorney drafts the bill in the appropriate form.
3. First reading: The chief author of the bill (always a legislator) introduces the bill to the Senate, and it is given its first reading. The bill is given a file number and referred to a committee.
4. Committee hearing: The chief author requests a hearing from the committee to which the bill has been assigned. During the hearing, proponents and opponents of the measure present their viewpoints. (Public attendance and participation is welcomed.)

5. Committee action: the committee may vote to pass the bill in its original form, or it may vote to amend it. After a bill is amended, the committee may then vote to: recommend that the bill be passed and sent directly to the Senate floor; recommend that the bill be passed and sent to another committee; send the bill to the floor or another committee with no recommendation for passage; keep it in committee indefinitely; or defeat it.
6. First passage: When the bill is passed out of its final committee, it is given its second reading before the full Senate. It is then brought up for discussion in front of the entire Senate. Senators vote on preliminary approval or disapproval of the bill. Bills may be amended at this time.
7. Layover: If the bill receives preliminary approval, there is a 24-hour layover requirement.
8. Final passage: After the 24 hours, the bill is read for the third time and a roll call vote is taken for final passage.
9. Bill to House: The bill is sent to the House; it may be substituted for a companion bill. In the House, the bill goes through a process similar to the Senate process.
10. House passage: The House takes a final vote on the bill. If the House and Senate versions of the bill differ, then either body can vote to accept the other's version, the bill is sent to a conference committee. The conference committee is made up of an equal number of senators and representatives. Once the conference committee works out a compromise, the bill is sent back to both bodies for approval.
11. Governor's signature: The governor may sign the bill into law or veto it. If the governor vetoes it, a two-thirds vote of each body will override the veto.
12. The bill becomes law.

C. Rules vs. laws

A law is enabling legislation that lets something happen or exist. Laws must wind their way through the legislative process.

Laws usually only identify and set general standards and indicate the main enforcer or administrator of the law. That enforcer or administrator often then develops rules, which set a more defined standards on how the law is going to be enforced or administered. A rule does not go through the same process that a bill does to become law. The identified administrator of a law drafts its rules, which are then submitted for public comment. Once the draft rules are amended and if they meet little or no public opposition, they are adopted. Amendments to rules must pass through the same process.

Appendix A-3

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RICE CREEK WATERSHED DISTRICT
EMPLOYEE HANDBOOK
ADOPTED MAY 12, 1999

Rice Creek Watershed District Employee Handbook

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1. Introduction

Welcome to the District

The Rice Creek Watershed District (District) is a political subdivision of the State of Minnesota established under the Watershed Law. The District is governed by a Board of Managers (Board). The Board is comprised of five members who are appointed by the county commissioners from their county of residence (Anoka-2, Ramsey-2, Washington-1) to serve three-year terms. The Board employs a District Administrator and other District staff, and contracts with independent contractors for engineering, legal and financial services to assist the District in carrying out its statutory purpose and duties.

The District's general statutory purpose is to conserve the state's natural resources by land use planning, flood control and conservation projects by using sound scientific principles for the protection of the public health and welfare. As a member of the District staff you play an important role in helping the District carry out its statutory purpose and duties.

We look forward to your contributions and success in the job. Our future success as a District and as individuals depends on our mutual respect and cooperation. We want to maintain a reputation as a customer-focused District that strives to achieve excellence in providing services in the watershed.

2. Handbook Limitations

THE CONTENTS OF THIS HANDBOOK DO NOT CONSTITUTE THE TERMS OF A CONTRACT OF EMPLOYMENT. NOTHING CONTAINED IN THIS HANDBOOK SHOULD BE CONSTRUED AS A CONTRACT, AND EMPLOYMENT WITH THE DISTRICT IS ON AN "AT-WILL" BASIS.

EMPLOYEES OF THE DISTRICT SERVE "AT-WILL." THE EMPLOYMENT RELATIONSHIP MAY BE TERMINATED WITHOUT CAUSE, AT THE WILL OF EITHER THE EMPLOYEE OR THE DISTRICT. THE BOARD RESERVES DISCRETION TO MANAGE THE WORK ENVIRONMENT OF ITS EMPLOYEES.

This handbook is to provide you with information regarding your relationship with the District. It is designed to provide general policy and procedural guidelines. The policies and guidelines described here are not conditions of employment, and the language is not intended to create a contract between the District and employee. Where the provisions of the policies and guidelines conflict with an existing individual employment agreement, that agreement will be controlling and govern.

THE CONTENTS OF THIS HANDBOOK ARE SUBJECT TO CHANGE FROM TIME TO TIME WITHOUT NOTICE BY THE BOARD. THE BOARD AT ANY TIME, WITHOUT NOTICE, MAY REVOKE, MODIFY, CHANGE, REVISE THE CONTENTS OF THIS HANDBOOK AND OTHER POLICIES. The most recent revision of this handbook and its contents supersedes any and all previous handbooks and policies.

If you have any questions concerning District policies and procedures, please discuss them with the District Administrator, or in the case of the District Administrator, a member of the Board.

3. Employment Practices

3.1 Equal Employment Opportunity

The District is committed to the policy that all persons shall have equal access to employment opportunities without regard to race, color, creed, religion, national origin, gender, age, marital status, disability, public assistance status, political affiliation, veteran status, or sexual orientation. This commitment pertains to recruiting, hiring, transfer, promotion, training, discipline, layoffs, separation, compensation, benefits, and all other privileges, terms and conditions of employment for full, part-time, temporary and seasonal employment.

3.2 Employment Classifications

Written job descriptions will be prepared for all District employment positions. The descriptions will consist of a title, a description of the responsibilities and typical examples of work performed, and other information on the required qualifications and abilities necessary to perform the duties of the position. All employee positions will be classified pursuant to applicable fair labor standards legislation as either Non-Exempt (employees who are entitled to overtime compensation) or Exempt (employees exempt from the overtime compensation provisions of applicable fair labor standards legislation. These employees generally have as their primary duty management, administration, or work of a professional nature.)

For District internal use the following classifications have been established.

Regular, full-time - employees who are employed for an indefinite period and work 40 hours per week. This term does not imply an employee has a vested right to continued employment.

Regular, part-time - employees who are employed for an indefinite period and work less than 40 hours per week. This term does not imply an employee has a vested right to continued employment.

Temporary, full-time - employees who are employed on a short-term basis, usually less than one year, and work 40 hours per week. Such employment provides no permanent status.

Temporary, part-time - employees who are employed on a short-term basis, usually less than one year, and work less than 40 hours per week. Such employment provides no permanent status.

Temporary employees are not eligible for District employee benefits except those mandated by state or federal law.

Your period of continuous employment with the District is defined as your “length of service” which will be used as a basis for vacation, personal leave, layoff, call-back, and may apply to other benefits. Your length of service will continue to accumulate unless you resign, are terminated, or have a break of 6 months or more due to layoff.

3.3 Employment Information and Records

You are responsible for providing the District with current personal contact information (name, address, telephone, fax, e-mail), required tax data (number of dependents, income tax withholding),

insurance beneficiaries and emergency contacts, and other information which may affect your employee status.

The District will maintain a bulletin board in the copy room to communicate employment announcements and other pertinent material for your review.

Your personnel file will include the following information that may be available to the District: applications for employment, employment agreements, wage and salary history, any notices of commendation, warning, discipline, or termination, any authorization for a deduction from your pay, fringe benefit information, leave records, and District employment history including compensation, positions held, promotions and transfers, attendance records, and performance evaluations. You can review your personnel file upon request.

If you are contacted as a reference for a current or past employee, refer that person to the District Administrator. Only the District Administrator or Board (in the case of the District Administrator) is authorized to provide reference checks or make recommendations in response to questions about current or former employees.

3.4 Performance Appraisal Process

The learning period for all positions is six months. The learning period will apply to all new employees and all existing employees who are transferred or promoted to a new position. An evaluation of your performance will be conducted at the end of the learning period which may result in confirmation of your fitness for the position, dismissal, or reclassification/transfer back to your original position. All District employees are “at-will,” and may be terminated at any time without cause.

The District Administrator or Board (in the case of the District Administrator) will conduct a formal written performance appraisal at the end of the calendar year for all employees. Copies of the written appraisal will be provided to the employee with the opportunity for him or her to provide written comments.

The appraisal process is intended to be a two-way discussion between the District Administrator and employee on any issues or concerns related to job performance. At the discretion of the District Administrator or Board interim performance appraisals may be scheduled (for example six months prior to the end-of-the-year review) to address any potential concerns early and allow employees to take actions to improve upon their performance and success in doing the job.

3.5 Severe Weather

The District Administrator or Board President is authorized to close the workplace for part or all of the day on those rare occasions when bad weather makes travel extremely hazardous and unsafe. It is the responsibility of the employee to contact the District Administrator to find out whether the workplace has been declared officially closed for all or part of the day.

Time lost will be considered paid time. If an employee is unable to get to work, and the workplace is open, the time missed will be considered paid personal leave time off if earned, or unpaid leave if there is no earned leave accumulated.

4. Salary and Wage Administration

4.1 Work Week

The standard work week is 40 hours, beginning on Monday and ending on Friday. The standard work day will be established to meet work requirements and may be changed from time to time. At present, our normal full-time work hours are 8:00 a.m. to 4:30 p.m., Monday through Friday. Certain positions may require different hours, including occasional evening and weekend work. Employees are required to work according to the schedule for their assigned position. Overtime may occasionally be required to meet deadlines or to accomplish objectives, as authorized by the District Administrator.

4.2 Time Sheets

All non-exempt employees are required to record their time worked on a time sheet, which must be approved by the District Administrator and turned in to the Accounting Service by the designated time.

4.3 Pay Periods

Employees will generally be paid twice monthly for hours worked in the previous pay period up to the payday, on the 15th day and the last day of the month. If you are absent on payday, your check may be mailed or held for pick-up as preferred by the employee.

4.4 Payroll Deductions

There are two kinds of salary deductions: those required by law and those authorized by you. Each pay stub lists deductions for that pay period:

Required:

- Federal income tax
- State income tax
- Social security tax
- Medicare tax
- SDI (State Disability Insurance)
- Public Employees Retirement Association (PERA)
- Court-ordered garnishments

Voluntary:

- Medical and Dental Insurance
- Life Insurance

4.5 Breaks

A fifteen-minute paid break is provided during the first half and second half of the work day. These breaks will be taken at a time to accommodate the current work in process, and reasonably staggered among employees.

Full-time employees will be allowed a 30-minute unpaid lunch period near the middle of each workday. The lunch period will normally be taken away from the employee's work space. Breaks and lunch periods will be scheduled to normally allow one person to remain in the office throughout the day. The District Administrator is responsible for balancing workloads and scheduling breaks.

4.6 Overtime

The District Administrator may schedule work in addition to the standard workday or workweek. Compensatory time or overtime at the rate of one and one-half (1-1/2) times the base rate shall be paid to non-exempt employees for all hours worked in excess of 40 hours in a standard workweek. For purposes of overtime, holidays, vacation and personal leave days do not count toward the calculation of compensatory time off or overtime.

4.7 Salary Determination

The District will generally compensate employees based on the District and general economic conditions, competitive market practices, employee performance, and other factors.

The District will review employees periodically for salary purposes, and each employee will normally be eligible for a salary review on an annual basis. However, there are no guarantees of compensation levels or increases.

Salary Goals

1. To establish and maintain salary structures to attract and retain qualified and competent personnel
2. To encourage continual performance improvement through a well-administered salary and performance review program
3. To establish and maintain salary levels which are comparable to salaries paid by similar employers with similar needs
4. To provide equal pay for equal work and maintain salary relationships among the positions within the District which recognize responsibility, experience and education differences
5. To comply with all governmental requirements and regulations
6. To provide flexibility within the salary ranges to respond to economic and competition fluctuations.

5. Employment Benefits

5.1 Insurance

The District is a member of the Anoka County Instrumentalities Group Health and Life Insurance Program (Program). Employees of the District working an average of 30 hours per week or more are eligible to participate in and purchase insurance coverage under this Program. Single and dependent health, dental and life insurance coverage is currently offered to eligible employees in the Program.

Health Insurance: The District will pay 100 percent of the monthly premium for employee health insurance coverage and 50% of the cost of dependent coverage for the lowest cost provider offered in the Program. Employee will provide their contribution, if any, to the health insurance program for which he/she has enrolled, by a payroll deduction of his/her wages.

Dental Insurance: The District will pay 100 percent of the monthly premium for employee Group health Dental coverage provided in the Program. Employee will provide their contribution, if any, to the dental insurance program for which he has enrolled, by a payroll deduction of his wages.

Life Insurance: The District will pay 100 percent of the monthly premium for \$50,000 basic life insurance coverage provided in the Program.

In the event the employee does not enroll in a health, dental, life insurance plan offered in the Program, the District will not be obligated to pay the employee the premium amounts described above.

5.2 State and Federal Benefits

The District pays for benefits such as Workers' Compensation, Social Security, Medicare and Unemployment benefits, as required by federal and state laws.

5.3 Holidays

Official holidays of the District are:

New Year's Day	January 1
Martin Luther King, Jr. Day	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans' Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Day Following Thanksgiving
Christmas Eve Day	December 24
Christmas Day	December 25

In addition, each employee is entitled to one additional floating holiday as mutually arranged between employee and District Administrator. Floating holidays will be scheduled to allow at least one person to be in the office on any day the office is scheduled to be open.

When a holiday falls on a Saturday or Sunday, the preceding Friday or following Monday will be declared a holiday.

To be eligible to receive compensation for an observed holiday, an employee must be on regular full-time status on the workday before and after the holiday. Regular part-time employees will be paid *pro rata* for holidays. Temporary employees will not be paid for holidays.

Paid holidays which occur during a period of vacation or sick leave are not counted as days of vacation or sick leave.

5.4 Vacation

Full-time employees will earn vacation time at the following rates:

Years of Service	Vacation Leave	Accrued At
First and second years	80 hours or 10 days	3.33 hours/pay period
Third and fourth years	96 hours or 12 days	4.0 hours/pay period
Fifth through tenth years	120 hours or 15 days	5.0 hours/pay period
Eleven through 15 years	136 hours or 17 days	5.66 hours/pay period
Sixteen or more years	160 hours or 20 days	6.65 hours/pay period

Regular part-time employees working 24 or more hours per week may receive pro-rated vacation time, based on their scheduled hours of work. Temporary employees are not eligible for vacation pay.

Management will endeavor to allow you to take your vacation when you desire to take it. We ask that you request vacation time from the District Administrator as soon as possible. However, the District reserves the right to alter the dates of your vacation if it is in the best interests of the District, as determined by the District Administrator. All requests for vacations of five or more days in length must be approved at least 30 days in advance by the District Administrator (or the Board President, in the case of the District Administrator).

Employees may carry over up to the amount of earned allocation of unused vacation from the previous year up to a maximum of 30 days. It is the responsibility of the employee to schedule vacation time in order to avoid the potential of losing vacation days. Upon termination, any earned but unused vacation pay will be included with your last paycheck. Unused vacation time will be calculated according to the table shown above.

5.5 Personal or Sick Leave

The District recognizes that from time to time, leave for personal illness occurs or personal absences are necessary. Pay for leave assists in maintaining your income flow when you are required to be off work because of your own non-occupational illness or injury, an illness or injury of a spouse, dependent child, parents or a personal obligation which can only be tended to during regular employment hours.

Regular full-time employees are eligible to receive eight hours of leave pay per month, up to 96 hours (12 days) per year. Newly hired employees are eligible to receive earned leave pay upon completion of one month's employment. Regular part-time employees hired to work 24 or more hours per week but less than 40 hours per week, are eligible to receive four hours of leave pay per month. Other part-time employees and temporary employees are not eligible for leave pay. Leave may be accrued and carried forward without limit from year to year.

5.51 Employee Sickness

Leave may be granted to employees when the employee is unable to perform work duties due to temporary illness, short-term disability, the necessity for medical, dental or chiropractic care, pregnancy disability or childbirth, or when the employee poses a risk of exposure of contagious disease where such exposure may endanger the health of others with whom the employee would come in contact in the course of performing employment duties.

To be eligible for leave with pay, an employee shall (1) request the leave, where known to be required, preferably one week in advance, or report promptly to the District Administrator the reason for the absence, (2) keep the District Administrator informed of the condition, and (3) if the absence is for more than three days, submit a medical certificate describing the condition or ailment, and an estimate of the length of the leave of absence, if requested by the District Administrator.

5.52 Family Member Sickness or Death

Leave may be granted to an employee to care for a sick family member (spouse, dependent child or parents). The same communications are required as for an employee sickness. Leave may also be granted for a maximum of five days for death of an employee's spouse, child, mother, step-father, step-mother, legal guardian, brother, sister, grandparent or grandchild.

5.53 Personal or Sick Leave Miscellaneous

Emergency situations not specifically covered in this policy will be considered on a case-by-case basis. Absences relating to such situations may or may not be charged against your record, at the sole discretion of the District.

For purpose of accruing leave, an employee using earned leave is considered to be working while on earned leave or vacation.

After completion of the probationary period, any regular full-time or eligible part-time employee leaving the District service in good standing, having given at least two weeks notice of termination of employment, shall be compensated for ½ unused accrued leave at the employee's rate of pay at the time of termination up to a maximum of 400 hours.

The estate of any full-time employee who dies while employed by the District shall be entitled to receive the earned value of the employee's accrued unused leave, subject to the above provisions.

5.54 Leave for School Conferences and Activities

Regular full-time employees are permitted to take up to 16 hours of unpaid leave during any 12-month period to attend school conferences or school-related activities relating to your child if the conferences or activities cannot be scheduled during non-working hours. You have the option to use any available earned personal leave or vacation leave for this purpose.

If the need for leave for school conferences and school-related activities is foreseeable, you are requested to provide the District Administrator (or the President, in the case of the District Administrator) with reasonable notice of the leave and to make a reasonable effort to not unduly disrupt the District operations.

5.55 Work-Related Injury or Illness

You are to immediately report all work-related injuries or illnesses to the District Administrator. The District Administrator will arrange to complete a First Report of Injury form for the Worker's Compensation Insurance of the District.

Compensation for a work-related injury or illness shall be made in accordance with the provisions of the workers' compensation program. Proper notification must be given to the District Administrator of the expected duration of all such absences. You will be required to provide a release from a physician upon your return to work. The District reserves the right to require you to be seen by a physician of its choice.

5.56 Unpaid Personal Leave

Circumstances of a unique personal nature may cause an employee to seek time off without pay. A request for an unpaid personal leave of absence may be approved for a regular full-time employee who has completed at least one year of continuous service, provided it is reasonable in view of the compelling nature and need, employee performance, departmental workload involved and any other relevant individual circumstances. It is the District Administrator's responsibility to evaluate the request and recommend approval if it is justified. Approval by the Board is required for any personal leave request and such approval is totally within the board's discretion. Personal leaves of absence will normally be limited to 30 days.

5.57 Jury Duty

All employees will be provided time off for jury duty or court appearances in response to an official summons or subpoena. When an employee reports for or serves on a jury in a state or federal court during days when the employee would be otherwise scheduled to work, he/she shall be paid by the District the difference between jury pay and his/her regular pay.

Employees who are called to jury duty and are excused more than four hours prior to the end of their regular scheduled working hours will be expected to report to the District and complete their regular hours, and the compensation provided above will be adjusted accordingly. In order to receive regular pay, an employee must give the District Administrator (or Board President, in the case of the District Administrator) prior notice that he/she has been summoned for jury duty and must furnish satisfactory evidence that he/she reported for or performed jury duty on the days for which he/she claims payment. An employee who volunteers and has not been officially summoned for jury duty will not be paid and the above-described provisions will not apply.

The District reserves the right to request that the Court excuse you from jury duty if your services are deemed to be critical at that time.

5.58 Military Duty

All regular full-time employees serving on military duty with a reserve component of the US Armed Forces or the National Guard are eligible for Military Leave. Such employees are eligible for up to 10 unpaid Military Leave days per year with advance approval from the District Administrator.

5.6 Extended Leaves

Extended leaves may be granted for serious health conditions or parental leaves.

5.61 Extended Family and Medical Leave

A regular full-time employee employed by the District for at least 12 months and having worked at least 1,250 hours during the previous 12-month period may apply for an unpaid leave of absence of up to 12 weeks due to a serious health condition of the employee or the employee's spouse, child or parent. The leave may be used if a health care provider certifies that it is medically necessary. The leave must be approved by the Board, and is totally within its discretion to grant such leave.

Other accumulated paid leave, such as personal or sick leave or vacation, may be used in conjunction with Family and Medical Leave. If applicable, the District will continue to pay its share of the employee's insurance premiums during the leave.

If the employee is not able or chooses not to return to work at the end of the 12-week leave period, the employee will be considered to have voluntarily terminated his/her employment. If the employee does not return for reasons beyond his/her control or because he/she continues to have a serious health condition which prevents the employee from returning to work, he/she will not be required to repay health insurance premiums paid by the District during this leave. If the employee does not return to work for any other reason, he/she will be required to repay the District for those premiums.

If the condition that made a leave necessary persists after an employee returns to work, the District may find it necessary to review the employee's medical condition to determine whether the employee can perform the essential functions of his/her position, either with or without a reasonable accommodation. For this purpose, the District may require the employee to submit to a medical examination to help determine his/her ability to return to work.

5.62 Extended Parental Leave

A regular full-time employee employed by the District for at least 12 months and having worked at least 1,250 hours during the previous 12-month period may apply for up to six weeks unpaid leave upon the birth of a child or home placement of a child for adoption or foster care. The employee may choose to use vacation as part of parental leave.

If applicable, the District will pay its share of insurance premium or reimbursement during the first six weeks of leave. If the leave extends longer than six weeks, the employee will be required to pay the premiums thereafter in order to keep the insurance in force.

Parental leave must be arranged through the District Administrator at least one month prior to the expected date of leave whenever possible. The employee is encouraged to alert the District Administrator as soon as possible prior to the requested leave.

If the employee is not able or chooses not to return to work at the end of such leave, the employee will be considered to have voluntarily terminated his/her employment. An employee returning from leave should notify the District Administrator at least two weeks prior to returning from leave.

If the employee does not return to work for reasons beyond his/her control or because he/she has a serious health condition which prevents the employee from returning to work, then the employee will not be required to repay health insurance premiums paid by the District during his/her leave. If the employee does not return to work for any other reason, then the employee will be required to repay the District for those premiums.

NOTE: Employees are entitled to no more than a total of 12 weeks of leave in any 12-month period for reasons of a serious health condition and/or the birth, adoption or foster placement of a child.

5.7 Educational Assistance

All regular, full-time employees may be eligible for educational assistance after completing 120 days of employment.

To qualify, course must be taken from an accredited educational institution and the employee must receive a passing grade of “C” or better (when grades are assigned) or equivalent. The courses taken should relate to the employee’s present job, or provide additional training to help the employee prepare for a future position within the District.

To apply for educational assistance beyond that required by the District to maintain mandatory skill levels, the employee is to first discuss the proposed course with the District Administrator who will help determine whether reimbursement is applicable. The employee must then submit a written request prior to registering for the course. The District Administrator must approve the course and forward it to the Board of Managers for final approval.

Once the request is approved, the employee should register for the course and pay for the tuition and fees. To receive reimbursement, the employee must provide the District with tuition receipts and evidence of satisfactory course completion (C grade or better) within 60 days after the course is completed.

An annual limit per calendar year per employee is at the discretion of the District. Termination of employment, for any reason, prior to course completion, will make the employee ineligible for reimbursement.

5.8 Expenses

Mileage: The District will reimburse Employee for mileage when using Employee’s personal vehicle on District business at the rate specified by the Internal Revenue Service for mileage allowance (currently 31 cents/mile).

Expenses: The District will reimburse Employee for reasonable and necessary expenses incurred by employees in the performance of his/her duties. Employee must provide District Administrator with proof of mileage and other expenses to receive reimbursement.

5.9 Retirement

The District will enroll Employee in the State of Minnesota Public Employee Retirement Association (PERA). The rate of contribution to this retirement program by both the District and Employee will be in the proportion set forth under the applicable State law.

6. Guidelines for Personal Conduct

6.1 Legal and Ethical Behavior

All employees are required to conduct themselves in a lawful, ethical and safety-conscious manner in the workplace. Employees conducting District business at any location will do so in accordance with ethical business practices and all applicable laws and regulations. Employees operating vehicles and equipment while carrying out District business will do so safely in accordance with all laws.

Unless permitted by law and approved by management, the use or giving of District assets or funds in any form for contributions to political candidates or organizations is prohibited. Using District assets or funds for entertainment or gifts to government officials, employees or others is prohibited except if customary and provided they are reasonable in amount, legal under law, and not in consideration for any improper action by the recipient.

Employees must obtain prior approval from the District Administrator, or in the case of the District Administrator, from the Board, before engaging in any other employment that may constitute a conflict of interest. In determining whether such outside employment constitutes a conflict of interest with public duties or is inconsistent or incompatible with public employment, the following should be considered:

1. The performance of an act in other than an official capacity as an employee which act may later be subject directly or indirectly to the control, inspection, review, audit or enforcement by such employee for the District by which he/she is employed.
2. For employees classified as exempt, such work is the same as, similar or related to the type of work performed for the District.

No employee will accept gifts from any person, firm, or government agency regulated by the District that might be inferred for the purpose of influencing a regulatory action by the District. However, employees are not prohibited from accepting gifts of nominal value such as advertising novelties (pens, pencils, calendars, etc.).

As a trusted employee of the District you will have access to confidential information. You will be expected to protect the confidentiality of that information during the course of your work and not discuss it with relatives, acquaintances or other members of the public. Confidential information includes information relating to litigation, data classified private or non-public by the Minnesota Government Data Practices Act, and other information marked “confidential” by the District. If you have a question about the confidentiality of certain information, check with the District Administrator.

Employees who know of a violation or potential violation of this policy are expected to report it to the District Administrator or Board President.

6.2 Smoking and Dress Standards

To protect public and employee health, no smoking is allowed in the District office. All employees are expected to dress in a professional manner appropriate for field or office work that reflects well on the image of the District.

6.3 Sexual Harassment

The District is committed to maintaining a work environment free of sexual harassment defined as unwelcome sexual advances, either verbal or physical where: submission to the advances is a term or condition for employment; or submission or rejection of advances is used in making decisions on employee evaluations (promotions, termination) and assignments; or such conduct interferes with an individual's work performance and creates an intimidating and hostile work environment. Examples of sexually harassing behavior include but are not limited to unwanted sexual comments or suggestions; subtle pressure for sexual activity or coercion to date; demanding sexual favors accompanied by implied or overt threats, unwanted sexually motivated touching. The victim of sexual harassment may be a woman or a man, and the harasser may be a woman or a man.

If you believe you have been harassed, you should, as soon as possible following the occurrence, deal with the problem in any one of the following ways.

- Tell the person specifically what behavior is unwanted and tell him/her to stop at once. This helps identify a clear understanding of expected future behavior. After you have addressed the problem, document what was said and what understanding was reached. Sufficient detail as to time, place and actions allows for accurate reporting. (An employee who is not comfortable discussing the matter with the offending person may contact the District Administrator or Board President for counsel and assistance.)
- If the unwanted behavior does not stop after your complaint, or if you do not feel comfortable confronting the person, or if the harassment is an incident of a very serious nature, report it immediately to the district Administrator. If the District Administrator is the source of the alleged harassment, report it to the Board President, or if you feel that the District Administrator has not responded appropriately, then make an additional report to the Board President. Specific details of the harassing or offensive behavior should be provided.

After receiving a report of sexual harassment, the Board will order an investigation of the complaint, consider the facts and take appropriate action. There will be no adverse action directed toward the people who have made complaints in good faith. The District expects that each of its employees will treat alleged violations responsibly and confidentially.

6.4 Employee Conduct

Employees will behave in a professional manner and avoid behavior that is offensive and unproductive. The District has the following general expectations:

1. You will be regular and punctual in your attendance and you will inform the District Administrator if you will be in the District office outside of working hours.
2. You will get the approval of the District Administrator for the loan, sale, or transfer of District property and report any property damage immediately.
3. You will comply with applicable safety rules, wear personnel protective equipment when required, and report all personal injuries received on the job.
4. You will not solicit or distribute literature, duplicate computer software, or distribute confidential records at work without District Administrator approval.
5. You will accurately report hours worked on District business, follow time limits established for breaks, not perform extensive personal activities during working hours, not participate in any form of work slowdown or stoppage, and perform all assigned work and reasonable requests by the District Administrator.

6. You will not bring gaming devices, intoxicants, controlled substances, explosives, firearms or other weapons on District property.
7. You will comply with all laws while conducting District business (no personal harassment, gambling, use of intoxicants and controlled substances, etc.).

6.5 Problem Solving

When people work closely together, it is only natural that problems, questions, or conflict may sometimes arise. It is in the interest of the District and all employees that these issues be resolved as quickly and fairly as possible. Therefore, the District supports an “open-door policy” to encourage addressing these issues. The following “Problem-Solving Process” has been designed to provide guidelines for resolution of questions, problems or conflicts:

1. If you have a work-related or personal problem that you think the District can help you resolve, you are encouraged to discuss it with the District Administrator.
2. If you do not get an answer or you are not satisfied with the answer, you may take your problem to the Board President.

6.6 Termination of Employment

Following are some guidelines concerning termination of employment:

1. Employees of the District serve “at-will.”
2. All employees must give written notice of their intent to resign. The District requires a minimum of two weeks notice of intent to resign.
3. If any District property or money in your possession has been lost or damaged, or if you have an outstanding travel advance, or other outstanding expense, you will be responsible for reimbursing the District upon your termination from employment.

**Overview of Compensation Plan for 2003
February 12, 2003 –Adopted by the Board May 28, 2003**

To: Board of Managers
From:

Date: 1/28/03

Issue:

As we discussed at our last meeting, the RCWD has no compensation plan at this time. Heretofore, we have given merit increases of approximately 5% annually in addition to spot bonuses. These salary increases were based indirectly upon performance, but there were no set guidelines specifically stating how performance would be rewarded. After the last meeting, I was asked to put together a comprehensive overview of our benefits, current salaries, current market, compensation policies from other government entities and recommendations for going forward.

Benefits: The RCWD currently provides life, disability, health and dental insurance to its employees in addition to PERA and Social Security (both required under law). We currently pay, on average, \$423/month/employee for all insurance coverages. As a comparison, the City of Blaine allocates \$530/month/employee for the same insurance coverages (health, dental, life and disability). Our PERA and Social Security contributions, which are based upon a fixed percentage of the base salary of each employee, are approximately \$8,000/employee/year. We have an employee-training budget (\$3,000) and employees are to submit a request to me for training and/or formal education and I evaluate each request based upon merit, equity to other employees, and budget.

Current Salaries at the RCWD vs. Comparable Position's Salaries with City of Blaine, Minnehaha Creek WD, Hennepin County: Blaine and the Minnehaha Creek Watershed District (MCWD) have completed job surveys with the help of consultants within the past year. Hennepin County does such a review annually for their entire pay schedule and also makes amendments throughout the year as necessary. It should also be mentioned that Hennepin County is the second largest employer in Minnesota behind the state itself. Here is the breakdown of current salaries at the RCWD and range of salaries for comparable jobs at other locations:

	<u>RCWD (today)</u>	<u>Blaine(range)</u>	<u>MCWD (range)</u>	<u>Hennepin</u>
Information Sys. Specialist	\$27,781	\$42,024-49,440	\$29,600-44,400	\$42,335-60,750
Permit/WCA Coordinator	\$39,000	\$48,204-56,856	\$37,600-56,400	\$43,043-52,071
Restoration Tech-Inspector	\$41,112	\$48,204-56,856	\$37,600-56,400	\$43,043-52,071
Lake & Stream Specialist	\$44,400	\$48,204-56,856	\$49,600-74,400	\$47,309-60,394
Office Manager	\$43,000 ¹	\$44,496-51,592	\$29,600-44,400	\$45,341-67,022
District Administrator	\$80,000	\$87,756-103,824 ²	\$62,400-93,600	\$67,809-99,532

It should be noted that with the Blaine salary structure, all starting positions, with the exception of Public Services Manager, would be eligible for a 4-5% increase from the minimum after the 6-month probationary period and, then again, at the one-year anniversary and every year thereafter.

¹ MCWD job is largely that of a receptionist/secretary and Hennepin salary range is dependent upon number of employees position supervises

² Blaine City Manager range is \$97,644-114,948

Comparable Compensation Policies: Our job descriptions are most comparable to Minnehaha Creek for most positions with the exception of Office Manager.

As with most government agencies, the City of Blaine using a “step” system where employees progress up a sequential increase in salary (usually about 5% for each step) with each year up to a maximum. The Blaine “fourth” step is to be achieved after three years of satisfactory performance and is considered the “market rate” for a particular job. The City Manager in Blaine is given full discretion to hire personnel at the level he or she thinks is adequate and is also given the responsibility to ensure the pay scale is competitive with the market.

Hennepin County and the State of Minnesota use a similar system, but with more steps (usually nine) between the starting rate and the top rate with the fifth step to be considered the market rate. The philosophies are otherwise very similar. Additionally, both Blaine and Hennepin County employ a service pay system where employees get a year-end bonus of \$100-600 depending upon length of continuous service. This helps to ensure that employees that have topped out in their given job category still receive a salary increase at the end of the year.

MCWD has no “step” system and raises are done entirely upon merit. The salary ranges are adjusted periodically, as they were with the July, 2002 survey. MCWD is currently discussing a merit system that assures a minimum 3% increase for someone accomplishing their job in a satisfactory manner with additional percentage increases and/or bonuses if performance is beyond just satisfactory.

Recommendation:

As we discussed, I think we can create a system that is both fair to the employees, but ensures that proficiency in the job is rewarded rather than simply longevity. To that end, I think we can use salary ranges similar to Blaine or Minnehaha Creek, as they are the most comparable to the RCWD. The state ranges are comparable to both Blaine and Minnehaha, but the ranges are much broader and more difficult to compare with our job requirements. Within that range, we can then use our merit-based system of reviewing performance to determine the annual pay increase. We could use a system where satisfactory performance would be rated on a scale from 1-3 with:

- 1 = Accomplished required tasks (1-2% raise based upon budget)
- 2 = Accomplished required tasks and exceeded expectations in some areas (3-4% raise based on budget)
- 3 = Accomplished required tasks and exceeded expectations in many areas (4-6% raise based on budget)

Each year, or once the probationary period has been completed, merit increases would be awarded after the performance review. Also, salary ranges would be reviewed annually and adjustments made accordingly. Being the small office that we are, we have little latitude for creating a variety of job categories that could establish a “career path” for our employees. Both Blaine and Hennepin County review the salary ranges so that the top of the range shifts based upon market conditions. I think we will always be able to use other government agencies to calibrate our salaries without the need to hire our own consultant. I do not think a service pay system is warranted if we are diligent in ensuring fair salary ranges, such as Blaine has done, and appropriate merit increases. If and when some of our employees reach the top of their range, we can address the issue then.

After analyzing the various job descriptions and salary ranges, I would recommend the following salary ranges for our employees in 2003:

Information Systems Specialist	\$29,000-45,000
Permit/WCA Coordinator	\$38,000-56,000
Restoration Tech/Inspector	\$38,000-56,000
Lake & Stream Specialist	\$48,000-73,000
Office Manager	\$43,000-56,000
District Administrator	\$63,000-94,000
Environmental Ed. Coordinator(unfilled)	\$38,000-56,000 ³

With the exception of our Information Systems Specialist (Ned) and our Lake & Stream Monitoring Specialist (Chuck), everyone falls within this range. For Ned and Chuck, a 10% equity adjustment would place them in the proper ranges and would be my recommendation.

Blaine, as with any municipality or government agency I know, gives the City Manager, or its equivalent, the responsibility for ensuring correct salary ranges for appropriate jobs and full discretion to hire employees at the range he or she feels appropriate. I would suggest our situation be treated similarly.

Other Benefits to Consider

Our benefits package is competitive with the market, on the whole, but there are other policies to consider that may help to serve as an incentive for service at Rice Creek that do not add to our employment overhead.

- **Combining Sick Leave and Annual Leave**
 - Our accrual rates are comparable to the market, but we could give our employees more flexibility to manage their own leave by not differentiating between sick leave and annual leave- we'd just call it "leave". To make the math simple, we would just combine all unused leave at this point and employees would accrue future leave as the sum of the current annual and sick leave rates. Our policy for payment of leave at the end of successful service with the RCWD would remain as it is currently.
- **Cafeteria Plan**
 - Given this name because it allows employees to choose from a smorgasbord of services, the IRS allows employers to withhold pre-tax dollars for the repayment of medical and daycare related costs. Such a system helps employees to lower their income tax burden (by lowering their adjusted gross income) with the only cost to the employer being the administration of the program. Working with our accountants, we can devise a plan where the employees elect, at the beginning of the year, an amount to be deducted from each paycheck. That money is then held in an account and once the employee has submitted a legitimate reimbursement request to the District Administrator, he or she would authorize the accountants to cut a check back to the employee. By IRS regulations, whatever goes unclaimed by the employee at the end of the year (they have a grace period until March of the next year) cannot be given back or rolled over to the next year and is retained by the employer. Therefore, most employees that elect to use such a program try to be very accurate and somewhat conservative in the estimate of withholdings so they don't leave money on the table. With such a small staff, the administrative burden is very small. This is now a fairly common benefit to provide.

³ Same range as MCWD for a very similar position

- **Leave for Fitness**
 - As a way of encouraging healthy employees and reducing time lost for medical conditions, many employers now allow employees to use the value of their leave to pay for exercise equipment, membership to health clubs, weight loss programs, etc. An employee would simply submit an invoice for an allowable cost and the appropriate amount of leave would be “cashed in” to reimburse the employee, minus appropriate withholdings for state and federal taxes. This allows employees, again, to better tailor they accrued leave for their own lifestyle without adding any additional cost to the RCWD. In fact, such a benefit can serve to mitigate our liability for any leave reimbursement when an employee departs the RCWD as they will have used the leave throughout their tenure, but not have been absent from work.

Appendix A-4

Watershed District Conflicts of Interest Policy

(DRAFT: PREPARED BY C. AICHINGER - 8/15/03)

I. Policy Statement:

A Board member (Manager) of the Watershed District shall discharge the duties of the position of Manager in good faith, in a manner the Manager reasonably believes to be in the best interests of the District, and with the care and ordinarily prudent person in a like position would exercise under similar circumstances, said Manager being entitled to rely on information, opinions, reports or statements, including financial statements and other financial data in each case prepared or presented to the Board in the normal course of business. The District has adopted this conflicts of interest policy to guide a Manager of the District in discharging the duties of the position of Manager in good faith, in certain circumstances in which a conflict of interest does or may exist. This policy is not a comprehensive statement of how any particular duties of a Manager are to be discharged, but discharge of a Manager's duties do require compliance in good faith with this policy.

This policy is solely for the benefit of the District. The District's Board of Managers has exclusive authority and responsibility to administer, interpret and enforce this policy. That Board may determine to waive a particular violation of or failure to comply with this policy, particularly if the Board determines the violation or failure to be inadvertent or unintended, or of a technical nature which is immaterial to the outcome. Violation or failure of compliance with this policy will not render a decision or transaction void, or voidable, except only as provided by Minnesota law.

II. Purpose:

The purpose of the conflicts of interest policy is to protect the District's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Manager of the District. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to Minnesota local units of government.

III. Definitions:

1. Interested Person.

Any Manager, officer, or member of a committee with board delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest.

A person has a financial interest if the person has, directly or indirectly, through business, investment or family-

- a. An ownership or investment interest in any entity with which the District has a transaction or arrangement, or
- b. A compensation arrangement with the District or with any entity or individual with which the District has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the District is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

IV. Procedures:

1. Duty to Disclose.
In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the Managers and members of committees with board delegated powers considering the proposed transaction or arrangement.
2. Determining Whether a Conflict of Interest Exists.
After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest.
 - a. An interested person may make a presentation at the board or committee meeting, but after such presentation and preliminary discussion and questions for that person, he/she shall leave the meeting during the final discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.
 - b. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. Appropriateness shall be gauged in light of all pertinent circumstances, including but not limited to the amount involved in the transaction or arrangement, and any exigencies of time.
 - c. After exercising reasonable due diligence, in view of all pertinent circumstances, the board or committee shall determine whether the District can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
 - d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of

the disinterested Managers whether the transaction or arrangement is in the District's best interest and for its own benefit and whether the transaction is fair and reasonable to the District and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of the Conflicts of Interest Policy.
 - a. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - b. If after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate action. The board or committee may determine that no action, other than a reminder of this policy, is appropriate, particularly in the case of an inadvertent or unintended failure, and/or if the outcome would not have been affected by disclosure.

V. Records of Proceedings:

The minutes of the board and all committees with board-delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

VI. Compensation:

1. A voting member of the board of Managers, and a voting member of a committee whose jurisdiction includes compensation matters, shall not:
 - a. Vote on matters pertaining to his or her compensation,
 - b. Vote on matters pertaining to amounts paid to another person or entity in which the voting member has a financial interest, or
 - c. Participate in final discussions and deliberations prior to any such vote.
2. Generally, absent justification acceptable to the Board of Managers (which should be reflected in minutes), a person who is not to vote or participate in final discussions and deliberations as to particular compensation matters should not be appointed to, or serve on, a committee whose jurisdiction includes such matters. A person who does so serve is nonetheless subject to Section 1, above.

3. No person is prohibited from providing compensation-related information to the Board of Managers or a committee.

VII. Annual Statements:

Each Manager, principal officer and member of a committee with board-delegated powers should annually sign a statement, which affirms that such person-

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that the District is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities, which accomplish one or more of its tax-exempt purposes.

VIII. Periodic Reviews:

To ensure that the District operates in a manner consistent with its governmental purposes, the District shall endeavour to conduct periodic reviews on the following subjects (and others as the Board of Managers may determine):

- a. Whether compensation arrangements and benefits are reasonable and is the result of arm's-length bargaining.
- b. Whether acquisitions of services result in inurement or impermissible private benefit.
- c. Whether contracts, partnerships or joint venture arrangements and arrangements conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the District's purposes and do not result in inurement or impermissible private benefit.
- d. Whether agreements to provide services, improvements, grants, or other payments further the District's purposes and do not result in inurement or impermissible private benefit.

IX. Use of Outside Experts:

In conducting the periodic reviews provided for in Article VIII, the District may, but need not, use outside advisors. If outside experts are used their use shall not relieve the board of its goal to ensure that periodic reviews are conducted.

X. Minnesota Law Provisions:

1. Relationship of Policy to Minnesota Law and Bylaws.
The foregoing policy is supplemental to the Minnesota law, and applicable provisions of the District's bylaws. The Board of Managers of the District has adopted the foregoing policy pursuant to authorities granted in the District's bylaws. Pursuant to that same section, the board of Managers of the

District has the authority to from time to time amend the policy, repeal it, and until it is repealed, enforce it.

Because the policy is supplemental to the Minnesota law and the District's bylaws, the question of the validity of a contract or transaction between the District and a person or persons who might have a conflict of interest must be determined under applicable law and the District's bylaws. The following paragraphs concern that question.

2. General. A contract or other transaction between the District and: (1) its Manager or a member, of the family of its Manager; (2) a Manager of a related organization, or a member of the family of a Manager of a related organization; (3) an organization in or of which the District's Manager, or a member of the family of its Manager, is a Manager, officer or legal representative, or has a material financial interest, is not void or voidable because the Manager or the other individual or organization are parties, or because the Manager is present at the meeting of the members of the board of Managers or a committee at which the contract or transaction is authorized or ratified if:
 - a. The contract or transaction was, and the person asserting the validity of the contract or transaction was, fair and reasonable as to the District at the time it was authorized;
 - b. The material facts as to the contract or transaction and as to the Manager's interest are fully disclosed or known to the members and the contract or transaction is approved in good faith by two-thirds of the members entitled to vote, not counting any vote that the interested Manager might otherwise have, or the unanimous affirmative vote of all members, whether or not entitled to vote;
 - c. The material facts as to the contract or transaction and as to the Manager's interest are fully disclosed or known to the board of Managers or a committee, and the board of Managers or committee authorizes, approves or ratifies the contract or transaction in good faith by a majority of the board of Managers or the committee, not counting any vote that the interested Manager might otherwise have, and not counting the Manager in determining the presence of a quorum; or
3. Material Financial Interest. For purposes of the immediately preceding paragraph:
 - a. A resolution fixing the compensation of a Manager or fixing the compensation of another Manager as a Manager, officer, employee or agent of the District, is not void or voidable or considered to be a contract or other transaction between a District and one or more of its Managers even though the Manager receiving the compensation fixed by the resolution is present and voting at the meeting of the Board of Managers or a committee at which the resolution is authorized, approved or ratified or even though other Managers voting upon the resolution are also receiving compensation from the District; and

- b. A Manager has a material financial interest in each organization in which the Manager, or the spouse, parents, children and spouses of children, brothers and sisters and spouses of brothers and sisters, and the brothers and sisters of the spouse of the Manager, or any combination of them have a material financial interest. For purposes of this policy, a contract or other transaction between a District and the spouse, parents, children and spouses of children, brothers and sisters, spouses of brothers and sisters, and the brothers and sisters of the spouse of a Manager, or any combination of them, is considered to be a transaction between the District and the Manager.
4. Member of the Family. For purposes of the preceding paragraphs, a member of the family of a Manager is a spouse, parent, child, spouse of a child, brother, sister, or spouse of a brother or sister.

XI. Supplemental & Specific Procedures:

1. The above policy shall be made known to all members of the Board of Managers and the members of the management staff.
2. Any transaction or contract in which the District would be required to pay to one or more of its Managers, or any firm of which one or more of its Managers are members or employees or in which he or they have a material financial interest, or any District or association of which one or more of its Managers are shareholders, members, Managers or employees, \$250.00 or more for goods or services in the period of one (1) year shall be outlined in writing by management person responsible for the transaction and presented to the Administrator or Board President prior to finalizing the transaction or contract. The management person responsible shall have obtained proposals for at least one other supplier of goods or services of equal quality prior to presenting the proposal to the Administrator or Board President.
3. The Administrator or Board President shall present the matter to the full Board of Managers at its next regular meeting with a full explanation of any potential conflict of interest.
4. The Board of Managers may approve or disapprove the transaction or contract in accordance with the voting outlined in the policy above and as provided by the District's Bylaws.

DRAFT WATERSHED DISTRICT CODE OF CONDUCT POLICY

1.0 DECLARATION OF POLICY

The proper operation of democratic government requires that the public officials and employees be independent, impartial and responsible to the people; that government decisions and policy be made in the proper channels of the government structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government.

In recognition of these goals, there is hereby established a Code of Ethics for all Public Officials and employees of the Watershed District. The purpose of this Code is to establish ethical standards of conduct for all such officials and employees by setting forth those acts or actions that are incompatible with the best interest of the Watershed District, and by directing disclosure by such officials of private financial or other interests in matter affecting the District. The provisions and purpose of this Code and such rules and regulations as may be established are hereby declared to be in the best interest of the Watershed District.

Responsibilities of Public Office.

Public officials hold office on behalf of the public. They are bound to uphold the Constitution of the United States and the Constitution of the State of Minnesota. Public officials must carry out impartially the laws of the nation, state and city in fostering respect for all government. They are bound in their official acts by the highest standards of morality to discharge faithfully the duties of their office. Public officials shall be dedicated to fulfilling their responsibilities of office. They shall be dedicated to the public purpose and all programs developed by them shall be in the community interest. Public officials shall not exceed their authority or breach the law or ask others to do so. They shall work in full cooperation with other public officials and employees unless prohibited from doing so by the law.

1.1 DEFINITIONS

For the purpose of this policy the following definitions apply:

A: *Business*: Any corporation, partnership proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, or any other legal entity which engages either in non-profit or profit-making activities.

B: *Confidential Information*: any information obtained under government authority which has not become part of the body of public information and which, if released prematurely or in non-summary form, may provide unfair economic advantage or adversely affect the competitive position of an individual or business;

C: *Private Interest*: Any interest, including but not limited to a financial interest, which pertains to a person or business whereby the person or business would gain a benefit, privilege, exemption, or advantage from the action of the District employee that is not available to the general public;

D: *“Employee” or “Employees”*: employees of the District other than department directors and assistant department directors.

E: *Public Official*: any person that has been elected to office, appointed by the County Board, or hired by the District to serve as a department head or assistant department head.

This list includes the following:

- a. A member of the Watershed District Board or other elected official and their appointees.
- b. The department director and assistant director of each District department.
- c. A member of any Watershed District Board appointed committee.
- d. The Administrator or like position.

F: *Immediate Family*: A reporting individual, spouse, minor children, minor stepchildren or person residing in the same household.

2.0 Watershed Board Conduct with Watershed Staff

Watershed Board member’s statutory duties are to be performed, almost without exception, by the Watershed Board as a whole. The Watershed Board, and not individual members, must supervise administrative officers. As individuals, Watershed Board members have no administrative authority. They cannot give orders or otherwise supervise Watershed District employees, unless specifically directed to do so by the Board. As a Board, however, Board members have complete authority over all administrative affairs in the Watershed District.

Clear, honest communication that respects the abilities, experience, and dignity of each individual is expected. Poor behavior toward staff is not accepted.

Limit contact to specific Watershed District staff.

(a) Questions of Watershed District staff and/or requests for information shall be directed to the District Administrator, or Department Heads. Materials supplied to a Board member in response to a request will be made available to all members of the Board.

(b) Board members shall never express concerns about the performance of a Watershed District employee in public, to the employee directly, or to the employee’s supervisor. Comments about staff performance shall be made to the Watershed District Administrator through private correspondence or conversation.

(c) Individual Board members must not attempt to influence staff on the making of appointments, awarding of contracts, selecting of consultants, processing of development applications, or granting the Watershed District licenses and permits.

(d) Routine secretarial support will be provided to all Board members. Request for additional staff support, even in high priority or emergency situations, shall be made to the Watershed District Administrator who is responsible for allocating Watershed District resources in order to maintain a professional, well-run Watershed District.

3.0 Watershed District Board Conduct with the Public

1. No signs of partiality, prejudice, or disrespect will be evident on the part of individual Board members toward an individual participating in a public forum.
2. The President (or Vice-President in the President's absence) will determine and announce limits on speakers at the start of the public meeting. Generally, each speaker will be allocated ten (10) minutes. If many speakers are anticipated, the President may shorten the time limit and/or ask speakers to limit themselves to new information and points of view not already covered by previous speakers. No speaker will be turned away unless exhibiting inappropriate behavior.
3. Only the President (or Vice-President), and not individual Board members, can interrupt a speaker during a presentation. Questions by the Board members of the public shall seek to clarify or expand information. It is never appropriate to belligerently challenge or belittle the speaker. Board member's personal opinions or inclinations about upcoming votes shall not be revealed.
4. The Watershed District Attorney serves as advisory parliamentarian for the Watershed District and is available to answer questions or interpret situation according to parliamentary procedures. Final rulings on parliamentary procedure are made by the President, subject to the appeal of the full Board.

3.1 Watershed District Board Conduct in Unofficial Settings

1. It is appropriate for Board members to give a brief overview of the Watershed District policy when asked about a specific issue by constituents and to refer to Watershed District staff for further information. It is inappropriate to overtly or implicitly promise Board action, or to promise that Watershed District staff will perform or expedite a specific service or function (monitor lake, rush a permit, etc).
2. It is acceptable to public disagree about an issue, but it is unacceptable to make derogatory comments about other Board members, their opinions and/or actions.

3. Board members are constantly being observed by the community every day that they serve in office. Their behaviors serve as models for proper behavior in the Watershed District. Honestly and respect for the dignity of each individual should be reflected in every word and action taken by Board members, 24 hours a day, seven days a week. It is a serious and continuous responsibility.

3.2 Board Conduct with the Media

1. Never speak “off the record”. Words that are not said cannot be quoted.
2. The President is the designated representative of the Board to present and speak on the official Board position. If an individual Board member shall be clear about whether their comments represent the official Watershed District position or are a personal viewpoint.
3. Choose words carefully and cautiously. Comments taken out of context can cause problems. Be especially cautious about humor, sardonic aside, sarcasm, or word play. It is never appropriate to use personal slurs or profanity when talking with the media.

4.0 Use of Confidential Information

A public official or employee of the Watershed District shall not use confidential information to further the employee’s private interest, and shall not accept outside employment or involvement in a business or activity that will require the employee to disclose or use confidential information.

5.0 Use of Property

A public official or an employee shall not use or allow the use of Watershed District time, supplies, or Watershed District owned or lease property and equipment for the employee’s private interest or any other use not in the interest of the Watershed District, except as provided by law, unless the employee or employee has received prior Administrator approval for such use and the use is of minimal value.

6.0 Conflicts of Interest

6.1

Public officials and employees of the Watershed District in the course of or in relation to their official duties, shall not directly or indirectly receive or agree to receive any payment of expense, compensation, gift, reward, gratuity, favor, service, or promise of future employment or other future benefit from any source, except the Watershed District for any activity related to the duties of the employee unless otherwise provide by law. However, the acceptance of any of the following shall not be in violation of this section.

- A. Gifts of nominal value
- B. Plaques or similar mementos recognizing individual services in a field of specialty or to a charitable cause;
- C. Payment of reimbursement expenses for travel or meals, not to exceed actual expenses incurred, which are not reimbursed by the Watershed District and which have been approved in advance by the employee's supervisor as a part of the work assignment;
or
- D. Honoraria or expenses paid for papers, talks, demonstrations, or appearances made by the public officials or employees on their own time for which they are not compensated by the Watershed District.

6.2 Actions Subject to Discipline

The following actions by a public official or an employee of the District shall be deemed a conflict of interest and be subject to disciplinary action as appropriate.

- A. Use of or attempted use of one's official position to secure benefits, privileges, exemptions, or advantages for themselves or other which are different from those available to the general public;
- B. Acceptance of other employment or contractual relationship that will affect the employee's independence of judgment in exercise of official duties;
- C. Actions as an agent or attorney in any action or matter pending before the District except in the proper discharge of official duties or on the employee's behalf; such action will not be deemed to be a conflict if in any other official actions with regard to the same matter the individual clearly states that he or she has a conflict and does not participate in any of those actions (i.e. voting or discussion) which may precede or follow the appearance before the District.
- D. Use of the District Purchasing Department for gathering information or purchasing items for non-District use except where otherwise authorized by the District Board.
- E. Hold any other office or employment which compromises the performance of their appointed duties without disclosure of said office or employment and self-disqualification from any particular action that might be compromised by such office or employment.
- F. No public official or employee shall hold any investment which might compromise the performance of their official duties without disclosure of said investment and self-disqualification from any particular action which might be compromised by such investment, except as permitted by statute, such as Minnesota Statute 471.88.

6.3 Potential for Conflicts of Interest

When a public official or an employee believes the potential for a conflict of interest exists, it is their duty to avoid the situation. A conflict of interest exists when any one of the following is present.

- A. The use for private gain or advantage of District time, facilities, equipment or supplies, or badge, uniform, prestige, or influence of District office or employment;
- B. Receipt or acceptance of any act which the public official or employee would be required or expected to perform in the regular course of hours of District employment or as part of their duties;
- C. Employment by a business which is subject to the direct or indirect control, inspection, review, audit, or enforcement by the public official or employee; or
- D. The performance of an act or provision of a service for a private, non-profit, governmental or quasi-governmental entity in other than the public official's or employee's official capacity which may later be subject directly or indirectly to the control, inspection, review, audit, approval, or enforcement by the employee or by a board of commission of which the employee is a member.

6.4 Avoidance of Conflict of Interest

If the employee or the employee's supervisor determines that a conflict of interest exists, the matter shall be assigned to another employee who does not have a conflict of interest. If it is not possible to assign the matter to an employee who does not have a conflict of interest, interested persons shall be notified of the conflict and a determination made if the public official may proceed.

6.5 Acceptance of Advantage

No public official or employee of the District in direct contact with suppliers or potential suppliers of the District, or who may directly or indirectly influence the purchase of products, evaluating contracted services, or otherwise has official involvement in the purchasing or contracting process may;

- A. Have any financial interest or have any personal beneficial interest directly or indirectly in contracts or purchase orders for goods or services used by, or purchased for resale or furnished to the District; or
- B. Accept directly or directly from a person, firm, or corporation to whom a contract or purchase order has been or may be awarded, a rebate, gift, money, or anything of value other than items of nominal value. No such employee may further accept any promise, obligation, or contract for future reward.

6.6 Handling of Alleged Violations by Public Officials of the Code of Ethics

- A. An Ethics commissions is hereby established. The Commission shall be composed of three individuals, two of whom shall be residents of the District and the third may be a nonresident. Appointments will be made at the time a Commission is needed to handle an alleged violation. Commissioners will remain on the Commission only until the work associated with that allegation is complete.

The following individuals will be members of the Commission;

- A. An individual appointed by the Presiding Judge from a County District Court within the Watershed.
- B. A member of the Personnel Committee as appointed by that committee.
- C. The third individual will be appointed by the District Board from the following;
- A judge or retired judge appointed by the Presiding Judge from a County District Court within the Watershed District.
 - An individual appointed by the Watershed District Board
 - An individual (other than a Watershed District Manager) appointed by the Watershed District Board of Managers.
 - A County Auditor or Auditor/Treasurer from another County
 - An individual from a recognized medication service

Allegations of violations of this code shall be referred to the Ethics Commission for investigation. Allegations which may constitute a violation of a federal, state, or local statute shall be referred to the appropriate law enforcement authority by the Ethics Commission.

Results of the investigation of the Ethics Commission shall be reported to the District Board along with the Commission's recommendation for disposition. Thereafter, the District Board shall take appropriate action which may include censure of an elected official, discipline or no action.

The Commission shall meet only at the request of the District Board or Administrator. The District shall be paid per diems and all necessary and reasonable expenses as determined by the District Board.

6.7 Disclosure of Financial Interest

Not later than ninety (90) days after the date of approval of this code, each public official of the District shall file as a public record, in the office of the District Administrator, a statement containing the following.

- A. A list naming all business enterprises known by the public official to be licensed by or to be doing business with the District which the public official or any member of the public official's immediate family is connected as an employee, officer, owner, investor, creditor of, director, trustee, partner, advisor, or consultant; and

- B. A list of the public officials and members of the public official's immediate family's interests in real property located in the District or which may be competing with the interests of the District located elsewhere, other than property occupied as a personal residence.

Each person who enters upon duty after the date of this code in a office or position as to which a statement is required by this code shall file such a statement on forms to be provided by the District not less than thirty (30) day after the date of his/her entrance on duty.

Each person who made an initial filing shall file a new statement by January 30 of each year thereafter giving the information called for above as of the time of the new statement. If a change in financial interest or property ownership occurs between filings, a new filing shall be made within thirty (30) days of the changes.

The interest of any member of the immediate family shall be considered to be an interest of a person required to file a statement by or pursuant to this policy.

This code shall be constructed to require the filing of any information relating to any person's connection with or interest in any professional society or any charitable, religious, social, fraternal, educational, recreational, public service, civil, or political organization, or any similar organization not conducted as a business enterprise and which is not engaged in the ownership or conduct of a business enterprise.

The Administrator shall inform each person who is required to file of the time and place for filing. The Administrator shall inform the Board whenever a person who is required to file a statement fails to do so.

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Appendix B-1

WATERSHED DISTRICT MANAGERS' HANDBOOK

ACRONYMS

Acronyms used in water resource management

State, Regional, and Local Government

BWSR	Board of Water and Soil Resources (state)
CAC	Citizen Advisory Committee
CHS	Community Health Service (regional)
DNR	Minnesota Department of Natural Resources (state)
DOER	Minnesota Department of Employee Relations (state)
JPA	Joint Powers Agreement (local)
LCMR	Legislative Commission on Minnesota Resources (state)
LGU	Local Governmental Unit (local)
MDA	Minnesota Department of Agriculture (state)
MDH	Minnesota Department of Health (state)
MDNR	Minnesota Department of Natural Resources (state)
MDOT	Minnesota Department of Transportation (state)
MetC	Metropolitan Council (regional)
MES	Minnesota Extension Service (state)
MGS	Minnesota Geological Survey (state)
MPCA	Minnesota Pollution Control Agency (state)
OEA	Minnesota Office of Environmental Assistance (state)
OWM	Minnesota Office of Waste Management (state)
PCA	Minnesota Pollution Control Agency (state)
RC&D	Resource Conservation & Development, USDA (federal)
RDC	Regional Development Commission (regional)
SWCD	Soil and Water Conservation District (local)
TAC	Technical Advisory Committee
WD	Watershed District (local)
WMO	Watershed Management Organization (local)

Federal Agencies

ACE or ACOE	Army Corp of Engineers (federal)
ASCS (no longer in use, replaced by Farm Services Administration - FSA)	Agricultural Stabilization and Conservation Service, USDA (federal)
COE	Army Corp of Engineers (federal)
EPA	U.S. Environmental Protection Agency (federal)
FEMA	Federal Emergency Management Agency (federal)
FSA	Farm Services Administration, USDA (federal)
HUD	Housing and Urban Development Department (federal)
NRCS	Natural Resources Conservation Service, USDA(federal)
SCS (no longer in use, replaced by Natural Resources Conservation Service -NRCS)	Soil Conservation Service, USDA (federal)
USDA	U.S. Department of Agriculture
USF&WS	U.S. Fish & Wildlife Service (federal)
USGS	U.S. Geological Survey (federal)

Organizations

ADA	Association of (Watershed) District Administrators(state)
AMC	Association of Minnesota Counties (state)
AMT	Association of Minnesota Townships (state)
LMC	League of Minnesota Cities (state)
MACDE (state)	Minnesota Association of Conservation District Employees
MACPZA	Minnesota Association of County Planning and Zoning Administrators(state)
MASWCD	Minnesota Association of Soil and Water Conservation Districts (state)
MAWD	Minnesota Association of Watershed Districts (state)
MLA	Minnesota Lakes Association (state)
NACD	National Association of Conservation Districts(national)
RCM	Rivers Council of Minnesota (state)
SWCS chapters)	Soil and Water Conservation Society (national with state

Programs

ACP	Agricultural Conservation Program (federal)
CLWP	Comprehensive Local Water Planning (state)
CRP	Conservation Reserve Program (federal)
EQIP	Environmental Quality Incentive Program (federal)
FDR	Flood Damage Reduction (federal)
LAP	Lake Assessment Program (state)
MFIP	Minnesota Forestry Improvement Program (state)
RIM	Reinvest in Minnesota Program (state)
SLR	Streambank, Lakeshore, and Roadside Program(state)
WCA	Wetland Conservation Act (state)
OWM	Office of Waste Management (state)
PCA	Minnesota Pollution Control Agency (state)
RC & D	Resource Conservation & Development (federal)
RDC	Regional Development Commission (regional)
SCS	Soil Conservation Service (federal)
SWCD	Soil and Water Conservation District
USF & WS	U.S. Fish & Wildlife Service (federal)
USGS	U.S. Geological Survey (federal)
WD	Watershed District (local)
WMO	Watershed Management Organization (local)

Appendix B-2

What is a Watershed District?

Minnesota Board of Water and Soil Resources – updated 4/05

Water does not respect political boundaries

This saying lies at the heart of why Minnesota has made it possible to manage water resources on the basis of watersheds, areas of land that drain to a given lake, river, stream or wetland. Since water flows from place to place, a water resource problem in one community may be caused by another community's actions. By managing water resources on a watershed basis, communities can jointly plan to prevent problems, and coordinate and equably pay for projects to correct problems when they do occur.

Watershed district authority created in 1955

Recognizing the need to manage water on a broader basis than municipal or county boundaries, the Minnesota State Legislature established the **Watershed Act**¹ in 1955. This act provided the means to create watershed districts anywhere in the state. As outlined by statute, the purposes of watershed districts are:

To conserve the natural resources of the state by land use planning, flood control, and other conservation projects by using sound scientific principles for the protection of the public health and welfare and the provident use of the natural resources.

Watershed districts are special purpose units of local government whose boundaries follow natural watershed divides. Watershed districts have been given broad authorities, including the authority to:

- Adopt rules with the power of law to regulate, conserve, and control the use of water resources within the district.
- Accept grant funds, both public and private, and encumber debt.
- Contract with units of government and private and public corporations to carry out water resource management projects.
- Acquire property needed for projects.
- Hire staff and contract with consultants.
- Acquire, construct, and operate, drainage systems, dams, dikes, reservoirs, and water supply systems.
- Assess properties for benefits received and levy taxes to finance district administration.
- Enter upon lands within and without the district to make surveys and conduct investigations

Since the inception of the Watershed Act, 47 watershed districts have been created through a process of citizens or local governments petitioning to the state. They range in size from 40 to 6,000 square miles, and together they cover approximately 30 percent of Minnesota's land area.

The watershed management plan:

One of the first responsibilities of a new watershed district is to prepare a watershed management plan. The plan outlines existing and potential water resource issues and planned projects to be undertaken. A watershed management plan must be written by the watershed district and approved by the Minnesota Board of Water and Soil Resources before projects can be undertaken.

¹Minnesota State Statutes Chapter 112, now repealed and reorganized in Chapter 103D

Watershed district governance:

A local board of managers numbering from three to nine members governs watershed districts. When a watershed district is first established, members of the initial board of managers are appointed by the Minnesota Board of Water and Soil Resources for a one-year term. Subsequent board of manager members are then appointed by the county board of commissioners that have territory in the watershed district. District managers must reside in the watershed district, and cannot be a county, state, or federal elected officials (soil and water conservation district supervisors do not fall under this restriction and may serve on board of managers).

Watershed district accountability:

Watershed district board of managers are accountable to the county board of commissioners that appointed them. Watershed districts file annual audit and activity reports to both the Minnesota Board of Water and Soil Resources and the Minnesota State Auditor's Office. Watershed management plans and changes in district boundaries need to be approved by the Minnesota Board of Water and Soil Resources.

Advisory committee:

Watershed districts are required to appoint an advisory committee of at least five members to advise and assist the district board on all matters affecting the interests of the watershed district. When practicable, advisory committees need to include representation from a soil and water conservation district, a county board, an outdoor sporting organization, and a farming organization.

Watershed management within the Twin Cities metropolitan area:

Because of the complexity of water management in urban areas, the Legislature has made the development and implementation of watershed management plans in the 46 Twin Cities metropolitan area² watersheds mandatory. This was done through the 1982 **Metropolitan Surface Water Management Act**³.

To carry out watershed management plans, the Metropolitan Water Management Act also required the formation of a watershed management organization (WMO) for each of the 46 watersheds. Watershed management organizations can be administered under three different frameworks: as watershed districts, as joint powers agreements among municipalities, or under county government (with the exception of Hennepin and Ramsey Counties, which are unable to administer WMOs under county government). Within the metropolitan area, 14 watershed management organizations are organized as watershed districts, 23 are organized as joint powers agreements, and several are organized under county government.

Watershed districts within the Twin Cities metropolitan area come under the guidance of both the Watershed District Act and the Metropolitan Water Management Act.

More information:

For more information on watershed districts, contact the Minnesota Board of Water and Soil Resources at (651) 296-3767 or visit the Minnesota Association of Watershed Districts at www.mnwatershed.org.

² Metropolitan Area Counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

³ Minnesota State Statutes, Chapter 103B, Sections 103B.201 to 103B.255.

Available Methods for Public Input Into Watershed Plans

Method	Pros	Cons
Telephone surveys	Quick results. Statistical results.	Limited content can be covered. Costly.
Mail surveys	ID's issues. Gives exposure.	Results rarely are statistical.
"Clip-out" mail-in survey form (printed in newspaper or newsletter)	ID's issues. Gives exposure.	Results rarely are statistical.
Flyers and posters in public places	ID's issues. Gives exposure.	Results rarely are statistical.
Voice mail or E-mail comments	Available 24 hours. Easy to do.	Results not statistical. Prone to abuse.
WWW response site	Available 24 hours. Can provide information.	Limited availability. Public has to seek out site.
Town meetings	Traditional and respected format.	Difficult to get large or representative gatherings. Group dynamics can be challenging.
Citizen Advisory Committee	Very in-depth coverage. Develop ownership from committee members.	Limited numbers involved. High maintenance. Groups can be biased.
Listening groups / Focus groups	In-depth coverage. Can target key groups. Gives exposure.	Time consuming. Focus groups take trained staff.
Citizen Jury (trademark of Jefferson Institute).	Allows for understanding of complex issues.	Costly.
Input from existing boards and organizations	Makes use of existing networks. Can target key groups	Prone to "status quo" results.
Individual interviews	In-depth coverage. Can target key groups.	Limited numbers Time consuming.



Ron Struss – MN BWSR / UM Extension
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Methods for Gaining Wider Watershed Draft Plan Review:

Small listening sessions with key groups:

Have several small gatherings with key interest groups. Share plan content and ask for comments. Some of this is already occurring with the cities and townships.

Possible interest groups include:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Long-time and short-time residents • Farmers and rural residential • Developers / Builders / Realtors • Environmental / Sports Groups | <ul style="list-style-type: none"> • Youth • City council members • Town council members • County, city, and township staff |
|--|---|

Saturday morning “drop-in” open house:

Invite the public to drop by at their convenience to a Draft Plan Review Open House. Offer coffee and rolls, have displays, explain plan, and take comments. This may need to be done in conjunction with newspaper and/or mailed out information so folks know when the open house is, and why it is important to attend.

Newspaper feature:

One page feature on the Draft Plan, showing maps, key projects and budgets. Provide a way for public to give feedback. This would need to be paid space if the newspaper does not take it on as a news item.

Direct mail piece to all households:

Similar to the newspaper feature (above) but done as a newsletter and mailed to each household. Can be expensive, but could be considered the District’s annual newsletter.

Cable TV feature

Prepare a public information piece for public access TV. A high school class could be asked to produce the show.

Telephone or Email “Hot Lines”

In newspaper features or direct mail pieces, advertise availability of email address or phone number where comments can be sent.

Town-hall meeting (required “Public Hearing”)

A public hearing is required as part of the plan review process. Make event as informative and as easily to attend as possible.

Watershed District Citizen Advisory Committees

Minnesota Board of Water and Soil Resources – 1/00

Purpose:

According to the Watershed District Act, Section 103D.331 of Minnesota State Statutes:

The managers must annually appoint an advisory committee to advise and assist the managers on all matters affecting the interests of the watershed district and make recommendations to the managers on all contemplated projects and improvements in the watershed district.

Citizen advisory committees are referred to simply as advisory committees in the statutes. In practice, advisory committees are known as citizen advisory committees to distinguish them from technical advisory committees, another committee required by metropolitan watershed districts.

Authority:

Citizen advisory committees draw their authority from Minnesota State Statutes and report to the watershed district's board of managers. Members serve at the pleasure of the managers.

Structure:

According to the Watershed District Act, Section 103D.331 of Minnesota State Statutes:

The advisory committee consists of at least five members. If practicable, the advisory committee members selected must include a supervisor of a soil and water conservation district, a member of a county board, a member of a sporting organization, and a member of a farm organization. Other advisory committee members may be appointed at the discretion of the managers. The members must be residents of the watershed district and serve at the pleasure of the managers.

In addition, the managers may appoint other interested and technical persons who may or may not reside within the watershed district to serve at the pleasure of the managers.

State statutes direct citizen advisory committees to elect a chair and recorder and to establish a meeting schedule.

Roles:

According to the Watershed District Act, Section 103D.331 of Minnesota State Statutes, citizen advisory committees are required to:

- Consider issues pertinent to the functions and purposes of the watershed district;
- Review and comment on reports, minutes, activities, and proposed projects of the managers;
- Report to the managers the general content of advisory committee meetings and resulting recommendations.

In addition to these required roles, citizen advisory committees have also assisted board of managers with:

- Identification of water resource issues;
- Establishing program goals;
- Communications between the watershed district and community;
- Carrying out watershed information and education activities;
- Collecting of information and data;
- Generating new ideas and approaches;
- Carrying out delegated board of manager responsibilities.

More information:

For more information on watershed district citizen advisory committees, contact the Minnesota Board of Water and Soil Resources at 651-296-3767.

**STATE OF MINNESOTA
BOARD OF WATER AND SOIL RESOURCES
ONE WEST WATER STREET, SUITE 250
ST. PAUL, MINNESOTA 55107
(651) 296-3767**

PROCEDURE FOR ESTABLISHING A WATERSHED DISTRICT

I. Contacting Local Authorities and Examining Alternatives

A concerned person or group seeking action on a water resource problem or issue should contact existing local water management authorities. These are primarily counties, cities, and soil and water conservation districts. Local water management authorities are listed in a Directory available from the Board of Water and Soil Resources and located on the website. Most counties in Minnesota have prepared comprehensive county water plans. A county's water plan coordinator is a good person to contact initially to find out what local water management programs are in effect. The problem or issue should also be discussed with staff persons in field offices of the Department of Natural Resources, Minnesota Pollution Control Agency, and Board of Water & Soil Resources to take advantage of their expertise and knowledge of area resource problems and available programs.

If the problem or issue relates strictly to a single public ditch system, lake, or other localized area, options other than a watershed district should be considered. Concerns over a particular ditch system should be brought to the local drainage authority (county board or joint county ditch authority) for resolution. If the concern is about flooding or water quality problems on a lake with a small contributing drainage area, the options of forming a Lake Improvement District or Sanitary Sewer District should be considered. Establishment of a special taxing district within a county, or a joint powers agreement among affected local units of government, are other alternatives for dealing with a localized problem that should be considered.

A watershed district should be looked at as a vehicle for a) addressing water resource issues that transcend county boundaries, and b) managing water and related land resource problems in a comprehensive, basin-wide manner. A watershed district should not be sought in implement a single project, study, or other single-purpose initiative.

II. Determining the General Boundary of the Proposed Watershed District

If it appears that establishment of a watershed district would be the best approach for addressing identified problems or issues, the general area to be included in the proposed district must be determined.

A watershed is an area of land that contributes runoff to a particular stream or body of water. On a stream, the contributing drainage area increases as one moves downstream. Usually, the point where the stream outlets into a larger watercourse is used to define the downstream end of the stream's watershed. From that outlet point, a line is drawn upstream around all of the lands that drain into the stream. This line defines the stream's

watershed boundary. United States Geological Survey topographic maps are used to determine an approximate watershed boundary.

Existing watershed districts in Minnesota vary in size from less than 60 square miles to nearly 6,000 square miles. The area of a proposed district should include the entire contributing watershed of the problem area. The area's tax base should also be estimated and carefully considered. State law currently allows a watershed district to establish an annual administrative budget of up to \$250,000. However, the ad valorem tax levy for the administrative fund cannot exceed 0.048% of the watershed's taxable market value. A small watershed district with a small tax base will be able to raise only a small administrative fund. This can severely hamper a district's ability to function effectively.

If the area is adjacent to an existing watershed district, the option of enlarging the existing district is available under the law and should be discussed with the district's board of managers.

III. Building Local Understanding and Support

A common method of organizing support is the establishment of a steering committee. The steering committee should include local leaders; people known and respected in their communities who will be able to build understanding and support for action on the problem or issue. In some cases a local organization already exists that can take the lead role, such as a lake association or sportsmen's club.

The Board of Water and Soil Resources strongly encourages local efforts to build as much local understanding and support for the proposed watershed district as possible prior to submitting a petition. The lead group should meet with each affected county board and soil and water conservation district to explain the group's water management goals and reasons for seeking the establishment of a watershed district.

Informational meetings should be held for other local officials and the public to explain the purposes for seeking establishment of a watershed district.

From the beginning, it is important for local leaders to gain a good understanding of the Watershed Law and to be able to provide accurate information about watershed district operation. Inaccurate information about the potential effects of a watershed district on local property taxes and land use regulations can cause confusion and erode public support. Questions about the Watershed Law should be directed to the Board of Water and Soil Resources. The Board's staff is available to attend local meetings to provide information about the Watershed Law and watershed district authorities and responsibilities.

The Board of Water and Soil Resources encourages the lead group to obtain information from county auditors on the approximate tax base within the proposed watershed district before any informational meetings are held. It is important for watershed district proponents to be able to provide answers to residents on the potential impact a watershed district levy could have on local taxpayers.

IV. Validating the Petition

A nominating petition for the establishment of a watershed district must be signed by:

- 1) At least one-half of the counties within the proposed district; or
- 2) By a county or counties having at least 50 percent of the area within the proposed district; or
- 3) By a majority of the cities within the proposed district; or
- 4) By at least 50 resident owners residing in the proposed district, excluding resident owners within the corporate limits of a city if the city has signed the petition.

It is preferable to have the petition signed by the affected county or counties, if possible. County board support usually indicates broad public support for the proposed district, and can help during the remainder of the establishment process by securing county staff assistance. [No state financial help is available to the petitioners to defray the costs associated with validating a petition and supporting it through the establishment process.] If affected counties support the idea of a watershed district, but do not wish to sign the petition, they should be asked to pass resolutions of support. Support should also be sought from affected cities, townships, and soil and water conservation districts.

If the petition is validated by signatures of resident owners, it is recommended that it contain several times the minimum number of 50 signatures, and include signers from all parts of the watershed.

V. Filing the Establishment Petition

An establishment petition must include:

- 1) The name of the proposed district and a statement in general terms setting forth the territory to be included in the district;
- 2) The necessity for the district, the contemplated improvements within the district, and the reasons why the district and the contemplated improvements would be conducive to public health and public welfare, or accomplish any of the purposes of the Watershed Act;
- 3) The number of managers proposed for the district and a list of manager nominees containing at least twice the number of managers to be selected [at least three but not more than nine manager positions must be proposed, and no manager can be a public officer of the county, state, or federal government, except that a soil and water conservation district supervisor may be a manager];
- 4) A map of the proposed district; and
- 5) A request for the establishment of the district as proposed.

A copy of the petition must be served upon the auditor of each affected county, the Commissioner of the Department of Natural Resources, and the Director of the Division of Waters of the Minnesota Department of Natural Resources. The original petition must be served on the Board of Water and Soil Resources along with an affidavit of service on the other parties.

Upon receipt of the petition, the Director of the Division of Waters is required to prepare a preliminary watershed boundary map and a written report to the Board of Water and Soil Resources containing the Director's recommendations concerning the proposed watershed district.

VI. Holding the Public Hearing

The Board of Water and Soil Resources must hold a public hearing on the petition within the area of the proposed district. At the hearing, the petitioners must present their petition and provide evidence on the need for the proposed district. Oftentimes petitioners will hire legal and technical experts to help them present the petition and exhibits, and explain the resource problems that exist in the watershed. Again, if the county or counties are the petitioners, their staff can generally perform this function. All interested persons are given an opportunity to speak for or against establishment of the proposed watershed district at the hearing.

VII. Board of Water and Soil Resources Decision

The Board of Water and Soil Resources must consider the entire hearing record before deciding whether establishment of the proposed district would be for the public welfare and public interest, and advance the purpose of the Watershed Law.

If the Board of Water and Soil Resources approves establishment of the proposed watershed district, its Order establishing the district must:

- 1) Name the district;
- 2) Define the number of district managers;
- 3) Appoint the initial board of managers;
- 4) Distribute the power to appoint subsequent managers among affected counties;
- 5) Define the legal boundary of the district; and
- 6) Designate the district's principal place of business.

Upon the filing of the establishment Order with the Secretary of State, the watershed district is officially established as a special purpose unit of local government.

VIII. Organizational Meeting

Within ten days of being served with a copy of the establishment order the managers must hold an organizational meeting. The Board of Water and Soil Resources makes arrangements for this initial meeting as a service to the new district. Board of Water and Soil Resources staff are present to help orient the managers to their duties and authorities under the Watershed Law. The managers are also provided with a number of informational materials. It is important to understand that while the Board of Water and Soil Resources staff is available to offer general guidance, they cannot provide direct, on-going staff support to watershed districts. Watershed districts must provide for their own staff support.

Appendix B-3

MINNESOTA ASSOCIATION OF WATERSHED DISTRICTS

Managers' Model Position Description

POSITION PURPOSE

The watershed district manager's job is to preside over the business of the watershed district. The business of the watershed district is to conserve and ensure the wise use of natural resources of the state through regulation based upon sound scientific principles and to protect the public health, safety and welfare as outlined in Minnesota Statutes 103B,

103D and 103E.

The watershed district manager is entrusted by the public to manage water resources in an effective and efficient manner and to represent the public fairly and without prejudice.

DESIRED CHARACTERISTICS

The manager should be a self-motivated person who is courteous and tactful in dealing with other board members, the public, and representatives from other agencies. The manager should be service-oriented and fair-minded, willing to learn and try new methods in performing tasks, aware of long and short-term consequences of decisions, and open and truthful in communication.

ROLE OF THE BOARD OF MANAGERS

In addition to the items below, the manager should attend regularly scheduled meetings, maintain cooperative working relations with other board members, local, state, and federal agencies and organizations and promote watershed district activities.

1. Determine and uphold the organization's Mission and Purpose
2. Provide for effective and efficient administration
3. Through an effective strategic planning process, ensure the organization has a long-range plan, goals, an annual work program, and budget
4. Ensure adequate resources through fiduciary and fundraising roles
5. Monitor and strengthen the organization's program and services
6. Enhance the organization's reputation through advocacy and action
7. Ensure legal and ethical integrity and maintain accountability
8. Orient new board members and assess board performance
9. Through monitoring and review ensure the organization's relevance and longevity
10. Ensure management and board succession – provide for leadership and continuity

MANAGER RESPONSIBILITIES

General Expectations

1. Know the District's mission, purpose, goals, policies, programs, services, strengths, and needs. Uphold the District's mission, purpose, and policies
2. Perform manager duties responsibly and conform to the level of competence expected from managers
3. Avoid prejudiced judgments on the basis of information received from individuals and urge those with grievances to follow established policies and procedures
4. Provide for the continued growth of the district and board members through education, succession of positions, and maintenance of the district charter, bylaws, and mission statement
5. Attend Minnesota Association of Watershed Districts (MAWD) Summer Tour, MAWD Annual Meeting, and other training sessions sponsored by

MAWD

6. Attend other training sessions that provide pertinent information for watershed management
7. Serve in leadership positions and undertake special assignments willingly and enthusiastically
8. Be team-oriented in the sense that federal, state, and local agencies can be both constituents and colleagues depending on the circumstances
9. Follow trends in water and related natural resources management
10. Bring good will and a sense of humor to the board's deliberations
11. Motivate citizens to participate in watershed district activities

Meetings

1. Prepare for and have a high level of participation in board and committee meetings, including appropriate organizational activities
2. Ask timely and substantive questions at board and committee meetings consistent with conscience and conviction. Support the majority decision on issues decided by the board not only at board meetings, but also when representing the District at other meetings
3. Maintain confidentiality of the board's executive sessions and speak for the board only when authorized to do so
4. Suggest agenda items periodically for board and committee meetings to ensure that significant, policy-related matters are addressed

5. Represent the District before citizen groups, elected officials and various other boards, task forces or commissions

Relationship with Staff

1. Work with the board, staff, and other stakeholders to establish program priorities, objectives, and direction for the District staff and consultants
2. When additional information is needed, contact the District Administrator. All staff supervision will be done through the administrator. The administrator is responsible to the board of managers as a whole, but can be of assistance from time to time to individual manager's requests for data or explanations
3. Develop a process to establish work program, project plans, schedules, and budgets and allow staff and consultants to perform within established parameters without interference and micromanagement
4. Develop personnel and consultant staff performance review procedures to assess performance and identify need for performance improvement or reinforcement

Conflict Management

1. Serve the organization as a whole rather than any special interest group or constituency
2. Avoid even the appearance of a conflict of interest that might embarrass the board or the organization, and disclose any possible conflicts to the board in a timely manner. Be familiar with and follow the District's Conflict of Interest Policy
3. Maintain independence and objectivity and maintain a standard of fairness, ethics, and personal integrity
4. Never accept (or offer) favors or gifts from (or to) anyone who does business with the District

Fiduciary Responsibilities

1. Exercise prudence with the board in the control and transfer of funds.
2. Read and understand the organization's financial statements and otherwise help the board fulfill its fiduciary responsibility.

Planning, Programming, and Budgeting

1. Work with the board to set short and long-term goals through ongoing strategic planning and preparation of the watershed management plan.
2. Set annual program and project priorities using the guidance provided in the District plan.
3. Use annual priorities to establish the District's annual work program, budget and the District's annual tax levy.

Appendix B-4

Public Data Request Policy

POLICY STATEMENT

This policy is in effect for all persons or entities that come to the Sauk River Watershed District (SRWD) to review files and all those who request information from SRWD via mail, facsimile, e-mail, over the telephone or in person.

BACKGROUND

The SRWD will attempt to fill all reasonable requests for information from its files and computerized data basis (subject to the restrictions of the Minnesota Government Data Practices Act, copyright laws, decisions of the Office of the Attorney General, and the availability of staff time). When appropriate, fees will be charged to recover the costs incurred in providing such information.

IMPLEMENTATION

The SRWD's files are open to the public unless classified by statutes, or temporary classifications pursuant to Minn. Stat. 13.06, or federal law, as non-public or protected non-public, or with respect to data on individuals, as private or confidential. The SRWD will keep its records containing government data in such an arrangement and condition as to make them reasonably accessible for inspection. Persons wishing to inspect files are asked to schedule an appointment at least two business days in advance with the SRWD's designee. This two business days lead time may need to be extended for cases in which a file needs to be reviewed for confidential information, or in the event the district's designee is unavailable. Appointments are to be scheduled during SRWD's business hours on Monday through Friday between 8:30 a.m. and 5:00 p.m. File reviews will be scheduled as soon as possible, depending upon the availability of the appointments and the status of the file. The staff will provide general assistance, however, the person requesting the information remains responsible for searching through the file to find the desired information.

DESIGNATED AUTHORITY

That the SRWD Administrator is designated as the responsible authority of Management of data practices of the SRWD.

FEES

Pursuant to Minn. Stat. 13.03, Subd. 3, if copies of information/documents are requested from files or electronically maintained information, the SRWD will charge searching, retrieving, compiling and copying costs. Clients will be charged in quarter-hour increments. No charge will be assessed if files are inspected and no copies are requested.

Clients may indicate what they would like to have copied by tabbing the pages desired with the supplies provided by the SRWD. Individual pages identified by the requester will be copied and charged, in addition to the searching, retrieving, compiling and postal charges. A

double-sided sheet is considered two pages. Clients may pick up their copies at the SRWD office once they are completed, or make arrangements with the SRWD to have the copies mailed.

The SRWD will make arrangements with a vendor when client's request reproduction of agency photographs and slides, large maps, plan sheets, diskettes, videotapes or other media (since those documents are not allowed to leave the building). The prices will vary depending on the services desired by the client. Quotes may be obtained from the SRWD file manger.

The client shall pay all charges for copying and services provided by the SRWD in advance of receiving the requested information.

When a request for data involves any person's receipt of copies of SRWD data that has commercial value and is a substantial and discrete portion of or an entire formula, pattern, compilation, program, device, method, technique, process, data base, or system developed with a significant expenditure of public funds by the agency, the SRWD may charge a reasonable fee for the information in addition to the costs of making, certifying and compiling the copies, with the fee charged to relate to the actual development costs of the information. The SRWD will provide sufficient documentation to explain and justify the fee being charged.

Upon the request of any person who is denied access to data, the SRWD will certify in writing that the request has been denied and cite the specific statutory section, temporary classification, or specific provision of federal law upon which the denial was based.

EXHAUSTION OF ADMINISTRATIVE REMEDIES

These policies will be administered consistently with Minnesota law. In the event that a requester believes that these policies or implementations are contrary to Minnesota law, the requester may register an objection in writing with the Executive Director who will provide a prompt ruling.

SUBMITTING YOUR DATA REQUEST

Direct your requests and all inquires regarding data requests or the availability of data from the SRWD to:

Administrator
Sauk River Watershed District
524 4th Street South
Sauk Centre, MN 56378
(320) 352-2231

Appendix B-5

Ramsey-Washington Metro Watershed District

Fiscal Year 1999 Work Program

This list is organized by major work program categories with bullets to indicate work tasks or projects within each category.

1. Watershed Management Plan.

- Continue implementation and evaluation tracking system.
- Assist Cities with interpretation and utilization of the plan.
- Assist Cities with development of local water management plans.

2. Education

- Provide staff training and continuing education.
- Make staff available for presentation/speaking engagements.
- Continue participation in regional education collaboratives (WaterShed Partners, Metro media campaign).
- Prepare and distribute articles to District media and City newsletters on watershed management and non-point pollution issues.
- Prepare and distribute materials to the Tanners Lake Watershed as part of the implementation process for the Tanners CWP Phase II program.
- Continue active involvement with education in area schools through presentations, involvement in District projects and continued sponsorship of the Water Resources Youth Stewardship program.

3. Strategic Lake Management Plans

- Complete SLMP for Carver Lake.

4. Groundwater Management

- Continue coordination with cities and counties to define watershed role.
- Assist counties in educational activities as appropriate.
- Continue literature research on effects of storm water infiltration.
- Continue District well sealing cost-share program.

5. Water Quality & Bio monitoring Program

- Develop citizen monitoring program for appropriate biological communities and species.
- Establish record keeping system and analysis methodology.
- Water chemistry monitoring program:
 - pre and post project monitoring
 - watershed outlet monitoring
 - in-lake sampling program
- Design and implement a wetland bio monitoring program.
- Annual water quality summary report.

6. Habitat Improvement

- Continue implementation of the Lake Gervais shoreline revegetation project.
- Purple Loosestrife biological control and monitoring.
- Continue Gervais Mill Pond project native revegetation.
- Tanners Lake Project restoration sites monitoring and maintenance.
- Buckthorn control.
- Provide assistance to cities on habitat improvement projects.

7. Construction Projects Permitting Program

- Continue district permitting program for construction and grading projects.
- Investigate expanded enforcement needs,
- Expand permit review criteria to include habitat issues.
- Evaluate current fee structure.

8. Project Maintenance

- Inspect all District projects for maintenance needs.
- Provide minor maintenance with District staff.
- Coordinate with District Engineer for major maintenance needs using outside contractor.

9. GIS System

- Add new coverages and update existing coverages as necessary.
- Provide GIS information and data to cities.
- Continue participation on County GIS User Groups.

10. Greenways and Natural Areas.

- Complete analysis of existing vegetation to identify potential greenways and unique natural areas. Distribute report and coordinate implementation with District communities.
- Assist cities with technical assistance for implementation of greenways plans and restoration activities.
- Assist communities with grant applications for greenways and natural areas protection and restoration..

11. District Administration

- Web page design and implementation.
- Implement staff access to internet and e-mail.
- Financial management/budget and work program development.
- Provide for staff training.
- Monitor legislative activities.
- Seek collaborative project opportunities.
- Complete District annual report.
- Supervise staff.
- Provide coordination with outside organizations and agencies.

12. Capital Improvements Program

- Develop 5 year CIP.
- Prepare annual budget and levy.
- Coordinate with District engineer to prepare project feasibility studies.
- Coordinate with District engineer to prepare project plans and bidding documents.
- Coordinate construction of Capital Improvements:
 - Phase III Kohlman Basin Project.
 - Phase II Sod Farm Project.
 - Beltline Interceptor Repairs.
 - Phalen Shopping Center Wetland Restoration Project.
 - Battle Creek Lake Watershed Capital Improvements.
 - Tanners Lake Phase II monitoring activities and flood protection improvements.
 - Lake Gervais flood protection improvements.

13. Public Involvement/Citizen Participation

- Provide staff support to Natural Resources Board (NRB).
- Assist NRB with implementation of work program and demonstration projects.
- Use the District Education Advisory Committee to develop and guide implementation of the District education program.
- Consult the Technical Advisory Team when necessary on District administrative and technical issues.
- Schedule public meetings with residents near District projects as appropriate to gather comments and concerns about District activities.
- Regularly communicate with staff and City Councils to keep them informed of District plans and activities.

Appendix B-6

Watershed District Administrative Policies & Protocols

List of required and recommended administrative policies and procedures that a watershed district should have.

- Abandoned Property Policy
- Surety Management Policy
- Public Purposes Policy
- Credit Card Policy
- Internal Controls Policy & Protocols
- Records Retention Policy
- Data Practices Policy & Procedure
- Bylaws
 - Conflict of Interest Policy
 - Open Meeting Law Protocols
- Travel Policy
- Per Diem Policy
- Tennessen Statement
- Required Scheduled Activities
 - Annual Report
 - Annual financial audit
 - Annual selection of official newspaper
 - Annual selection of BCWMC officers
 - Annual depository bank identification
 - Bi-annual consultant solicitation)

The following pages of this appendix include a number policies and/or procedures that have been developed by watershed districts.

Rice Creek Watershed District

POLICY FOR MANAGEMENT OF PERMIT BONDS, LETTERS OF CREDIT, CASH ESCROWS AND ABANDONED PROPERTY

February 24, 2010

As provided by state law, the Rice Creek Watershed District (District) receives fees from applicants to reimburse the District for the costs of processing and administration of permits required by the District rules. The District also receives bonds, letters of credit and cash deposits as financial assurances to secure the performance of permittees in compliance with terms and conditions. To ensure that such assets are managed in accordance with sound financial practices and state law governing local government financial practices and management of abandoned property, the District establishes policy and protocols for the management of financial instruments, cash escrows and permit fees.

1. **Permit fee payments.** The District will accept, process and maintain permit fees in accordance with District rules and the following protocols.
 - a. The District will not accept cash in payment of permit fees.
2. Checks received by the District in payment of permit fees will be deposited within 10 business days.
3. **Financial assurance deposits.** The District will catalogue and maintain financial assurances and cash escrows in accordance with the following protocols.
 - a. Financial assurance instruments (bonds, letters of credit and checks) received by the District to secure performance of permit conditions will be logged in the Surety Document Log created for such purposes, then copied and the copy filed at the District offices. The Surety Document Log will include, at a minimum, the following information:
 - i. Permit number for which the financial assurance instrument is provided;
 - ii. Name of the permittee/escrow provider;
 - iii. Name, for bonds and letters of credit, of the surety;
 - iv. Amount(s) of the financial assurances provided;
 - v. Expiration date, if any, of the financial assurance;
 - vi. Location of the financial assurance instrument or deposit.
 - b. Original bonds and letters of credit will be deposited for safekeeping at a location to be designated annually by the District Board of Managers at the meeting at which the official depository is designated.
 - c. When a cash escrow is to be provided in fulfillment of District performance assurance requirements, the permittee/escrow provider will be required as a condition of permit issuance, transfer or renewal to enter into a cash escrow agreement with the District.
 - i. The District, with the advice of counsel, will maintain a cash escrow agreement template for use by permittees/escrow providers.
 - ii. The District will not accept cash in payment of cash escrows (i.e., only checks or other bank drafts will be accepted).
 - iii. Permit approval may be revoked for failure to comply with this requirement.

- d. No check will be accepted by the District to serve as a financial assurance to secure performance of permit conditions until District staff has verified receipt of an associated executed escrow agreement, specifying the required deposit amount and permit to be secured by the deposit. The check must be in the amount specified in the agreement and must bear the number of the District permit to be secured.
 - e. Checks received by the District as financial assurances will be deposited within 10 business days of receipt in an account designated by the Administrator exclusively for cash permit escrows. The account will be at a Board-designated depository institution.
4. **Maintenance of valid financial assurances.** To ensure that the District has the capacity to assure compliance with its rules and protect the District's water resources in the event of noncompliance with permit conditions and/or rules, District staff will follow the protocols below to ensure that financial assurances of permit performance remain valid and enforceable:
- a. District compliance with the protocols in this section will be the responsibility of the District Surety Officer, designated by the Administrator.
 - b. The Surety Officer will maintain the Surety Document Log.
 - c. The Surety Officer will review the Surety Document Log monthly to ensure the continuing validity of financial assurances provided for active permits by identifying bonds and letters of credit that will expire within the ensuing 90 days.
 - d. The Surety Officer will determine – in the course of his or her monthly review of the Surety Document Log – whether replacement of the financial assurance is needed for a particular project, and, if so, alert the permittee to the need to provide a replacement instrument 60 days prior to the expiration of the existing instrument.
 - e. If deemed necessary in response to a permittee's unwillingness or inability to provide a replacement surety, the District Surety Officer will contact counsel at least 30 days prior to the expiration of the surety to initiate procedures to draw on the existing surety.
 - i. The Surety Officer will ensure that proper authorization for a surety draw is secured in a timely manner, with a priority on the protection of District water resources.
5. **Return of financial permit assurances.** Financial assurance instruments will be returned in accordance with applicable District rules, including Rule B, section 9(d).
- a. The District Surety Officer will monthly designate financial assurances that may be returned to the provider and ensure return of such instruments and/or funds.
 - b. District staff will maintain record of returned financial assurances in the Surety Document Log and retain a copy of original financial assurance documents in compliance with the District records retention schedule.
6. **Abandoned property procedures.** State law imposes requirements applicable to any intangible asset in the District's possession that remains unclaimed for three years or more after the asset is no longer needed for District purposes (e.g., three years after a permitted project is completed and the associated financial assurance becomes eligible for release in accordance with District rules). To ensure compliance with abandoned property requirements, the District establishes the following protocols.

- a. The District will annually assess whether cash escrows remain on deposit after completion of the applicable permitted work and attempt to return them. For cash escrows that have been in the District's possession for three years or more, unclaimed by the owner, staff will commence unclaimed property return procedures as follows.
 - i. By July 1 of each year, staff will notify owners by mail of unclaimed property. A letter should be sent to all known addresses on file for the owner, notifying owner of the amount still held by the District and describing steps necessary to claim the property. Staff need not send such a letter if documentation in the District's possession indicates that the address(es) it has for the owner are inaccurate.
 - ii. If the owner cannot be found, the assets are deemed legally abandoned and the District will remit them to the state Commissioner of Commerce, along with the report required by Minnesota Statutes section 345.41, as may be amended, containing information on the identity of the owner of the unclaimed assets in the District's possession, a description of the assets, the date the assets became payable or returnable to the owner and other information that may be required by the commissioner. Formatting and filing of the report will be in compliance with the current edition of the Department of Commerce publication "Holder Report Guide."
 - iii. By October 31 each year, staff should file the required report, verified by the Administrator, with the commissioner and remit all assets unclaimed as of the preceding June 30 to the commissioner.
 - iv. The District may deduct a service charge from the unclaimed assets remitted to cover costs of attempting to locate an owner and, if necessary, reporting and paying the unclaimed funds to the commissioner only if the escrow provider has agreed to deduction of such charges.

Rice Creek Watershed District

PUBLIC PURPOSES EXPENDITURES POLICY

February 24, 2010

Minnesota law mandates that governmental entities make expenditures only for public purposes and only as authorized to accomplish the purposes for which the entity was created. The Rice Creek Watershed District (District) establishes the following policy and protocols to ensure that District expenditures serve clear, documented watershed district purposes. The District Administrator will be responsible for the implementation of this policy and associated protocols.

1. **Travel.** The District may pay reasonable and necessary expenses for travel, lodging, meals and appropriate incidental expenses related to the performance of official District functions. Expenditures must be approved in advance by the Administrator (for employees) or Board of Managers (for managers) and must be directly related to the performance of District functions.
 - a. An employee or manager will be reimbursed for mileage expenses incurred when using the employee's or manager's personal vehicle to conduct District business. Mileage will be reimbursed at the tax-deductible mileage rate set by the federal Internal Revenue Service. Mileage expenses need not be approved in advance, but mileage expenses will be reimbursed only when accompanied by documentation of the date, number of miles traveled, purpose and destination(s). Mileage for employee commuting to and from the District offices will not be reimbursed.
2. **Employee and manager training.** The District may pay reasonable registration, tuition, travel and incidental expenses (including lodging and meals) for education, development and training when expenditures are directly related to the performance of duties. Expenditures must be approved in advance by the Administrator (for employees) or Board (for managers).
3. **Safety and health programs.** The District may pay for safety and health programs that promote healthier and more productive employees and reduce costs to watershed taxpayers, including costs associated with workers' compensation and disability benefits claims, insurance premiums and lost time resulting from employee absences.
4. **Manager and employee recognition and appreciation.** The District may pay for programs that recognize managers and employees for significant contributions to the District's performance and demonstrated commitment to the District's effective and efficient fulfillment of its purposes in accordance with an annual plan and budget for such events, approved by the Board. The District may pay for occasional manager and employee appreciation events or activities conducted in accordance with an annual plan and budget for such events, approved by the Board. No expenditure for manager or employee recognition will be made under this policy unless and until the structure, purposes and criteria for recognition are approved by the Board.
 - a. The District will not pay employees direct non-salary payments (i.e., bonuses) except as conditioned on achievement of performance goals specified in a written employment agreement.
5. **Food and beverages.** The District may pay for food and beverages when necessary to ensure meaningful, efficient and effective participation of employees, managers or the

public in activities, events and functions directly related to District purposes. Circumstances under which District expenditures for food and beverages will be allowed include:

- a. Food and/or beverages provided as part of a structured agenda of a conference, workshop, work session, outreach meeting, seminar, when the topic or subject of which relates to the official business of the District and the majority of the participants are not District employees or managers;
 - b. Food and/or beverages may be provided as part of a formal meeting primarily for District employees or managers where food and/or beverages are necessary to facilitate the conduct of the meeting, to ensure continuity and support the participation of employees, managers and other participants. Examples of potential qualifying events include:
 - i. An extended planning or operational analysis meeting;
 - ii. An extended meeting of department managers, with or without District managers, to develop long-term strategic plans;
 - iii. A structured training session for employees generally; or
 - iv. Official meetings of the District Board, a committee, task force or advisory group.
 - c. Food and/or beverages may be provided for occasional employee recognition and appreciation events and activities, when approved by the Board in accordance with a District employee recognition and appreciation policy and budget.
 - d. The District may pay for food and/or beverage expenses incurred in connection with a meeting or event attended by employees and/or managers, the primary purpose of which is to discuss, negotiate or evaluate a plan, program, project or other endeavor directly related to District purposes.
 - e. District meetings and training sessions will be scheduled to avoid the need to provide food whenever possible.
6. **Outreach and stakeholder involvement.** The District may pay for community and stakeholder outreach and involvement programs to ensure the efficient and effective conduct of District programs, projects and meetings conducted to gather public and intergovernmental input and participation in District planning, research, rulemaking and program or project design.
7. **Membership, donations.** The District may pay for membership in the Minnesota Association of Watershed Districts in accordance with Minnesota Statutes section 103D.335, subdivision 20. District funds may be expended for membership in other professional organizations if the organization is an association of a civic, educational or governmental nature and its activities are directly related to District purposes or the improvement of District operations. District funds may not be donated to any professional, technical or charitable organization, person or private institution. The District may contract for services rendered by such organizations.
8. **Protocols.** The following protocols are established to ensure compliance with above policies:
- a. When total expenses estimated to be incurred exceed \$100, a written description of the event or activity to be conducted by the District or that a District employee wishes to attend – including the date and location of the event or activity, an estimate of the expenses to be incurred, and indication of the policy(ies) above that support conduct of or participation in the event or

- activity – will be sent to the Administrator for review and approval at least 3 business days prior to event or activity.
- b. For employees, the written approval of the Administrator must be secured prior to an event or activity to qualify as a District expenditure.
 - c. All invoices or reimbursement requests must include or be accompanied by a copy of the Administrator's written approval and must include itemized receipts or other appropriate documentation of expenses incurred. Documentation also must include the date the expense(s) were incurred, location, purpose, participating or attending individuals and relevant affiliation (e.g., "John Doe, Metropolitan Council"), explanation of the need for food and/or beverage for the meeting, event or activity, and any other relevant information.
 - d. Copies of all documentation specified herein will be recorded and maintained in accordance with the District records retention policy.
9. **Miscellaneous.**
- a. The District Administrator will secure an approval described above for expenses he or she will incur from the president of the Board of Managers, except that the Administrator may approve expenses for District-conducted programs, events and activities.
 - b. District may not pay for alcoholic beverages under any circumstances.

Brown's Creek Watershed District Board of Managers

CREDIT CARD POLICY

Pursuant to Minnesota Statutes section 103D.325, subdivision 4, the managers may authorize the use of a credit card by any watershed district officer or employee otherwise authorized to make purchases on behalf of the watershed district. By Resolution 10-01, the managers delegated to the administrator the authority to acquire a District credit card account and use the credit card to make purchases on behalf of the District and administer the credit card in accordance with this policy. The policy is adopted to increase the capacity of the District to efficiently carry out its mission while maintaining the integrity of its financial systems and accounts. The policy will minimize the District's exposure to the possible loss of funds through theft or misuse of the credit card.

1. Account management. The District credit card will be issued in the name of the Brown's Creek Watershed District, and the administrator will be the sole authorized signatory. The administrator will protect against theft, loss or unauthorized use of the credit card. In the event of loss, theft or unauthorized use of the credit card, the administrator will contact the credit card provider immediately to report the card lost or missing and to take further prudent measures to secure the District account and prevent loss of funds, including but not limited to stopping payment on an unauthorized charge, stopping all charging privileges or requesting a new account number and card.

2. Purchases authorized. The District credit card may be used to purchase supplies, equipment and services necessary for the efficient administration of District business. The credit card may be used for travel expenses, for registration and fees for approved education and outreach activities, and other approved program expenses. The credit card may not be used to purchase engineering consulting services, legal services or capital project elements. The credit card may not be used to obtain cash advances.

3. Unauthorized purchases. The acquisition of a credit card account provides the District administrator with an additional means of making purchases necessary for the conduct of District business; it does not expand the administrator's authority to make purchases on behalf of the District. The District credit card may not be used to make personal purchases, and the administrator will be personally liable for the amount of any purchase made by credit card that is not approved by the managers. All District purchases by credit card will comply with all applicable statutes, rules and District policies.

4. Balance policy. The balance due on the District credit card account will not exceed the amount set by the managers by resolution. The administrator will ensure that there are budget funds available to pay for all purchases made with the credit card. The District's acquisition and use of a credit card is solely to facilitate efficient administration of District business, and may not be used as a means of incurring debt. Payment of the entire amount due and owing on the District credit card each month will be presented to the Board of Managers for approval. Pursuant to such approval, the amount due and owing will be timely paid in full to ensure that interest does not accrue.

5. Payment administration. All purchases made by credit card must be itemized and described in detail, as other current items payable, at the District's regular monthly meeting. Credit card purchases must be documented by detailed receipts, showing the item or service purchased, the vendor, date and amount. Such information will be compiled and presented at the regular monthly meeting of the Board of Managers, along with the District account to which each purchase is proposed to be charged. The request for payment of a credit card invoice will be accompanied by a declaration, signed by the administrator, stating that the credit card payment demand is just and correct and that no part of it has been paid.

BROWN'S CREEK WATERSHED DISTRICT INTERNAL CONTROLS MANUAL – FEBRUARY 2009

**APPROVED BY THE BROWN'S CREEK WATERSHED DISTRICT BOARD
BY RESOLUTION 09-02 ON FEBRUARY 9, 2009.**

The following policies and duties are followed by the Brown's Creek Watershed District. The District has established this written internal control manual in an effort to create clear written procedures, instructions, and assignments of duties to prevent or reduce misunderstandings, errors, inefficient or wasted effort, duplicated or omitted procedures, and other situations that can result in inaccurate or untimely accounting records. A well-devised accounting manual can also help to ensure that all similar transactions are treated consistently, that accounting principles used are proper, and that records are produced in the form desired by management.

Internal controls are designed to protect a local government unit from loss or misuse of its assets. Internal controls also ensure that all transactions are properly authorized and the information contained in financial reports is reliable.

District Policies

- Access to Funds:
 - Per the District Bylaws approved May 12, 2003, the Board, by resolution, may authorize the Administrator to purchase goods and services or otherwise bind the District by contract up to an amount or amounts specified in the resolution. Except as provided in the resolution, Board approval is required to contractually bind the District.
 - Per the District Bylaws approved May 12, 2003, payment of every invoice, bill or any other form of indebtedness incurred by the District must have approval of the Board. Checks issued by the District for payments for any purpose will bear two authorized signatures for all amounts of fifty dollars (\$50.00) or more, but may bear one authorized signature for any amount less than fifty dollars (\$50.00). These requirements may be superseded only by a resolution or temporary suspension of the by-laws as provided for in the by-laws.
 - The District keeps a current signature card with US Bank, allowing only the five Board Managers the ability to be signatory to approved checks.
 - All District checks reside at the Accountant's office.
 - Administrator and Board Treasurer have ability to transfer funds between District accounts and to deposit, but not to withdraw from accounts.
 - Per Motion 08-01 approved December 8, 2008, the Board authorizes the Administrator to invest BCWD funds in Certificates of Deposit (CD's) at US Bank under the verbal advisement of the BCWD Treasurer. These CD's may be opened in a series and invested for a term of three to nine months.
 - Per Resolution 03-03 approved May 12, 2003, the District Administrator shall maintain permit fee deposits in a separate fund, shall manage said deposits and maintain permit-specific records pursuant to accepted fund management practices, and is authorized to make deposits into and withdrawals from the fund for the proper administration of the District's permitting program.
 - Per Resolution 03-03 approved May 12, 2003, the District Administrator and District Counsel each hereby is authorized to act as the agent of the District for the purpose of demanding a draft on a permit surety.
 - The District does not allow blank checks to be signed (AKA "pre-signed checks).

- The District does not have signature stamps. All checks are individually signed by the approved Managers.
- The District does not have a credit card, and; therefore does not have a credit card use policy.
- The District does not have a petty cash fund, and; therefore does not have a District petty cash policy.
- Per Resolution 09-04 approved February 9, 2009:
 - ◆ All checks or other bank drafts tendered as payment to the District must be designated as payable to “Brown’s Creek Watershed District”. Checks or other bank drafts issued to staff, consultants or “cash” will not be accepted.
 - ◆ The District will not cash personal or third-party checks or bank drafts.
 - ◆ A check or other bank draft payable to the District must be deposited to a District account in whole, without alteration or return of cash upon deposit.
 - ◆ Cash withdraws from District accounts are prohibited.
- Contracts
 - Per Resolution 05-01 approved May 9, 2005, the District set a policy establishing the criteria for professional service contract review periods, requiring professional services retainer contracts and supporting materials will be submitted to each member of the Board of Managers 45 days in advance of a Board decision.
 - Per Resolution 06-02 approved March 13, 2006, the District set a policy prescribing when specific Board approval is needed for consultant services.
 - Per Resolution 08-02 approved August 11, 2008, the Administrator may execute of behalf of the Board cost-share agreements for Program applications that have been reviewed and approved by the Board. The Administrator shall apprise the Board of Managers regularly of agreements executed pursuant to this resolution.
- Conflict of Interest
 - Board adopted a conflict of interest policy August 11, 2003.
- Expenses:
 - Per Resolution 01-04 approved July 9, 2001, the District may in certain instances provide for compensation of its managers in addition to that provided for participation in regularly scheduled meetings, provided that
 - ◆ such compensation is made consistent with and subject to the requirements of MS 103D; and,
 - ◆ such compensation is authorized in each case only by the discretion and consent of the District’s Board given through a formal vote; and,
 - ◆ such compensation is authorized in advance of the activity in question and is not provided retroactively; and,
 - ◆ no other compensation, except for allowable expenses, for the activity in question is provided either by the District or any other entity.
 - Board approved \$75 per meeting Manager per diem at the regular Board meeting on September 12, 2005.
 - Board approved \$30 per meeting Manager per diem on February 9, 2009, for regularly scheduled meetings less than 90 minutes in duration and maintaining the \$75 per meeting Manager per diem for those regularly scheduled meetings 90 minutes or greater in duration.
 - Per Resolution 06-01 approved January 18, 2006, effect as of January 1, 2006, the Internal Revenue Service standard mileage rate, as it may be adjusted from time to time, will

- constitute the reimbursement rate for the use of a personal automobile for District business by District managers, staff and consultants.
- Per Resolution 09-03 approved February 9, 2009,
- Misuse of Taxpayer Assets:
 - The District does not own a District vehicle, and; therefore does not have a District vehicle use policy.
 - The District does not own office equipment, and; therefore does not have a District office equipment use policy.

Separation of Duties

- Administrator duties:
 - Receives original invoices and stamps received date
 - Codes invoices to project/fund in current items payable.
 - Creates monthly current items payable list for all Board Managers, which includes name of vendor, invoice numbers, invoice description, budget project/fund code, invoice amounts, and invoice totals for the vendor.
 - Receives deposits, stamps checks immediately upon receipt with “deposit only” and codes to project/fund in current items deposited. Copies original checks prior to deposit. Completes deposit slip with check number, vendor, and project/permit number.
 - Cash transactions are extremely rare and discouraged when possible. In the event of a cash transaction, a receipt will be created with the date, notice of cash transaction, amount of cash, description of payment, name of payer, and will be signed by the recipient/Administrator.
 - Makes bank deposits into US Bank checking account as deposits are received (same day).
 - Creates quarterly Manager Per Diem spreadsheet indicating all meetings held each quarter and which Managers were in attendance, based on the official approved minutes. Per Diem amounts are based on approved resolution.
 - Copies original invoices and deposits for both accountant and Board Treasurer.
 - Original invoices and copies of deposits with original deposit slips are kept in bookkeeping files in District office.
 - Reviews Accountant’s monthly financial statements. Provides adjustments to accounting codes to Accountant as necessary based on documentation.
 - Documents all permit fees and deposits in Permit Journal, including date worked or received, vendor, description, check number for deposits, invoice number for invoices, hours for invoices, and total amount.
 - Updates the authorized funds spreadsheet monthly.
 - Makes copies of all approved checks after they have been signed by one Board Manager (checks less than \$50.00) or two Board Managers (checks \$50.00 or more).
 - Transfers funds the morning after the regular monthly Board meeting such that:
 - ◆ the District checking has a balance of any outstanding checks (listed on report from Accountant and checked by Treasurer) plus the approved current items payable amount plus \$2,500 from District savings account to the District checking account; and
 - ◆ the District permit escrow account is equal to the amount listed on the permit journal as of the Board meeting.
 - Disburses approved checks.
 - Voided checks are retained with the District financial records files in the District office.
 - Prepares documents for annual audit, including:
 - ◆ Copies of approved budgets and all budget amendments

- ◆ Detailed General Ledger at year end
- ◆ Trial Balance at year end
- ◆ Bank Reconciliation and bank statements.
- ◆ Copy of disbursements & receipts
- ◆ Copy of tax settlements from Washington County, including the one received in January
- ◆ Copy of certified Levy
- ◆ Listing of accounts payable & copies of signed checks
- ◆ Permit Journal at year end
- ◆ Grants and other agreements:
- ◆ List of capital assets and all deletions and additions
- ◆ Copy of invoices
- ◆ Approved Minutes
- Meets with auditor for annual audit review.
- Presents draft audit to full Board at a monthly Board meeting.
- Presents annual budget and levy to Washington County Commissioners at County Board Meeting annually.
- Receives monthly collateral statement from US Bank.
- Checks for “Red Flags” and follows up with Treasurer and/or full Board as necessary:
 - ◆ Any unusual discrepancy between actual performance and anticipated results (for example, a major budget overrun in “supplies” or an unexplained decline in user fees);
 - ◆ Receipts not matching deposits;
 - ◆ Disbursements to unknown and/or unapproved vendors;
 - ◆ One signature on checks or pre-signed blank checks;
 - ◆ Gaps in receipt or check numbers;
 - ◆ Late financial reports; or
 - ◆ Disregard for internal control policies and procedures.
- Accountant Duties:
 - Enters coded payables and deposits into accounting software, checking for accuracy to original invoices & deposit receipts.
 - Prints checks for current items payable.
 - Reconciles bank accounts.
 - Creates monthly financial statements.
 - Prepares documents for annual audit, including:
 - ◆ Detailed General Ledger at year end
 - ◆ Trial Balance at year end
 - ◆ Bank Reconciliation
 - Adjusts accounting codes as directed by Administrator.
 - Receives Adjusting Journal Entries Report from auditor and makes necessary adjusting journal entries in financial system.
 - Receives approved annual budget from Administrator and enters into financial system.
 - Receives approved changes to annual budget from Administrator and enters into the financial system.
 - Communicates situations not addressed by the policies and procedures to the Full Board, so that policies and procedures may be adopted as necessary.
- Board Treasurer Duties:
 - Reviews current items payable list against copies of invoices.
 - Reviews bank statements against previously approved checks/Reconciles bank account.

- Creates a signed monthly treasurer report, which certifies that the bank statements have been reviewed for consistency with the previously approved checks.
- Reviews Accountant’s monthly financial statements.
- Ability to transfer funds between District accounts and to deposit, but not to withdraw from accounts.
- Submit original receipts for expenses to Administrator.
- Checks for “Red Flags” and follows up with Administrator and/or full Board as necessary:
 - ◆ Any unusual discrepancy between actual performance and anticipated results (for example, a major budget overrun in “supplies” or an unexplained decline in user fees);
 - ◆ Receipts not matching deposits;
 - ◆ Disbursements to unknown and/or unapproved vendors;
 - ◆ One signature on checks or pre-signed blank checks;
 - ◆ Gaps in receipt or check numbers;
 - ◆ Late financial reports; or
 - ◆ Disregard for internal control policies and procedures.
- Full Board Duties:
 - Holds recorded public hearing for proposed budget and levy.
 - Approves annual budget and levy by resolution.
 - Approves scopes for individual program or project expenditures.
 - Reviews current items deposited spreadsheet at monthly Board meeting.
 - Approves current items payable at monthly Board meeting by roll call vote.
 - Reviews all new expenditure requests against the authorized funds spreadsheet. New expenditures funds are authorized or reallocated.
 - Review of permit fees at monthly Board meeting.
 - Reviews draft audit and approves at Board meeting.
 - Approves all receivable write-offs/write-downs by Board motion or resolution at Board meeting by roll call vote.
 - Encourages Administrator and others to communicate situations not addressed by the policies and procedures, so that policies and procedures may be adopted as necessary.
- Legal Counsel Duties:
 - Review contracts.
 - Per Resolution 03-03 approved May 12, 2003, the District Administrator and District Counsel each hereby is authorized to act as the agent of the District for the purpose of demanding a draft on a permit surety.
- Auditor Duties:
 - Auditor reviews permit fees.
 - Creates Annual Financial Report.
 - Meets with Administrator for annual audit review
 - Creates Adjusting Journal Entries Report.
 - Sends final approved audit to BWSR and State Auditor.

COMFORT LAKE – FOREST LAKE WATERSHED DISTRICT RECORDS RETENTION SCHEDULE

Adopted January 22, 2009

Administration

Records series description

1. Advisory and technical committees agenda, minutes, reports, related documents (retain at least 10 yrs. And then transfer to state archives; public)
2. Agenda, board meetings and workshops (retain at least 10 yrs. And then transfer to state archives; public)
3. Manuals (retain until removed or superseded; public)
4. Minutes, Board meetings and workshops
 - Written (retain at least 10 yrs. and then transfer to state archives; public)
 - Audio (tapes and other recordings may be reused or discarded 1 yr. after formal approval of written minutes by board. Tapes or electronic recordings cannot be the permanent record).
5. Annual reports (retain at least 10 yrs. and then transfer to state archives; public)
6. Attorneys' opinions (retain at least 10 yrs. and then transfer to state archives; public/private; MS 13.30. 13.39). Includes opinions, memoranda of district's attorneys, correspondence and related records
7. Authority to dispose of records (permanent; public)
8. Budget, record copy (retain at least 5 yrs. and then transfer to state archives; public)
9. Correspondence
 - Constituents (retain at least 6 yrs and archived if the documents are historical; public/private; MS 13.37. 13.44)
 - Municipalities/agencies (retain 6 yrs and archived if the documents are historical; public)
 - Engineer (retain at least 10 yrs. and then transfer to state archives; Public)
 - Financial (retain t least 5 yrs. and transfer to state archives; Public)
 - Transitory, such as electronic mail that does not fit into one of the above categories (retained until read; not archived; public)
10. Historical data and photographs (retain permanently or transfer to state archives; public)
11. Inventories (retain at least 10 yrs.; public) equipment supplies, etc.
12. Lawsuits (retain at least 10 yrs. After settlement or resolution by court, administrative order and then transfer to state archives; public/private; MS 13.30, 13.39)
 - Civil Lawsuits (retained at least 20 years after last activity)
 - Criminal Lawsuits (retained at least two years after last activity)
 - Attorneys' opinions, attorneys' briefs, testimony, depositions, correspondence, etc (retained at least ten years and then archive; public/private/ and non-public)
13. Leases (retain at least 10 yrs. After expiration of lease; public)
14. Levy (tax) files (retain at least 5 yrs. And then transfer to state archives; public)

- Tax levies, related correspondence
15. Membership association documents (retain at least 3 yrs.; public) MAWD, Metro MAWD, etc.
 18. Newsletters, press releases, District generated (retain at least 10 years or transfer to state archives; public)
 19. Notice of official public meetings, District generated (retain at least 6 years; public)
 20. Public hearings notices/records (retained for at least 10 yrs or until recorded in minutes; they need not be archived and are public documents.
 21. Technical Information
 - Printed material regarding the District (retain at least 10 yrs. and then transfer to state archives; public)
 - Printed material not regarding the District (discard when no longer needed; public)
 22. Consultant Contracts (retain at least 10 years; public)
 23. Governance Policies (retained only until the policies are superseded and are not to be archived; public)
 24. By Laws (retained permanently and are not to be archived; public)
 25. Drafts, duplicates, notes and other documents that are not and have not become part of an official transaction, not otherwise scheduled herein (retain at least 2 years; public)

Real Estate

Records series description

1. Easements, originals (retained permanently and are not to be archived; public)
2. Temporary Easements (discard after project completion or when no longer needed, whichever is later; public)
3. Deeds (retained until property is sold then transferred to new owner, copy maintained permanently; public)
4. Transaction records (retain at least 10 years after sale of property; Public/Confidential/Protected Non-public; MS 13.44, 13.585)
5. Property records, e.g. well records, building inspections, etc. (retain at least 20 years after sale of property; public)
6. Hazardous material reports, e.g. Phase I and II reports, LUST reports, (retain permanently)
7. Ditch records (retain permanently)
8. Property surveys (retain permanently; public)

Bonds

Records series description

1. Appearance bonds (retain at least 6 yrs. after completion of contract; public)
2. Contractor license bonds, certificates of insurance, applications, etc (retain at least 6 yrs. After completion of contract, public)
3. Fidelity bonds (retain 6 yrs. After completion of contract; public)

4. Performance and payment bonds (retain 6 yrs. After completion of contract; public)
5. Permit bonds (retain 6 yrs. After completion of contract; public)

Financial/Accounting

Records retention schedule

1. Assessment rolls (retained at least 6 yrs after final payment; public)
Copies of assessment rolls received from county auditors
2. Audit reports (retain permanently need not be archived; public)
3. Billing statements (retain at least 6 yrs.; public)
4. Bank statements (retain 6 yrs.; public) slips, bonds and reconciliations
5. Budget expenditure reports (retain permanently; public)
6. Canceled checks (retain at least 6 yrs; public) Canceled check, paid invoices
7. Cash receipts analysis (retain at least 6 yrs; public)
Original receipt registers (retained permanently; not archived; public)
8. Deposit slips (retain 6 yrs; public)
9. Disbursement coding corrections (retain at least 6 yrs; public)
10. General ledger (retain permanently; not archived; public)
General, month ending
11. Investment documents (retain at least 4 yrs. after maturity; public)
Amounts invested and interest earned
12. Payroll (retain permanently; public/private; MS 13.43)
13. Pension and retirement plan (retain permanently; public or private)
14. Petty cash records (retain 2 yrs; public)
15. Purged accounts (retain 6 yrs. irrespective of audit; public)
16. Receipts and receipt books (retain 6 yrs., not to be archived; public)
17. Staffing lists (retain at least 6 yrs; public)
18. Time sheets (retain at least 6 yrs; public/private; MS 13.43)
19. W-2 statements (retain at least 6 yrs; public/private; MS 13.43)
W-4 statements (retained until replaced)
20. Workers' compensation reports (retain at least 20 yrs; public/private; MS 176.231)
21. 1099 statements (retain at least 6 yrs; public/private; MS 13.43)

Insurance

Records series description

1. Automobile insurance (retain at least 6 yrs. after expiration except those involving a minor, save until minor is 21; public)

2. Fire insurance or other insured perils (retain at least 6 yrs. after expiration; public)
3. General liability insurance (retain at least 6 yrs. after expiration; public)
4. Property insurance (retain at least 6 yrs. after expiration; public)
5. Public officials liability (retain at least 6 yrs. after expiration; public)
6. Umbrella liability (retain at least 6 yrs. after expiration; public)
7. Workers' compensation - claim register (retain permanently; public; MS 176.231 (8))
8. Workers' compensation - policies (retain at least 6 yrs. after expiration except those involving a minor, save until minor is 21; public)

Permits

Records series description

1. Correspondence relating to permits (retain at least 10 yrs. and then transfer to state archives; public)
2. Engineers' reports (retain at least 10 yrs. and then transfer to state archives; public)
3. Inspectors' reports relating to permits (retain at least 10 yrs. and then transfer to state archives; public). Includes reports, inspectors' documents relating to permit inspection
4. Permit applications (retain at least 10 yrs. and then transfer to state archives; public)
5. Permits (retain permanently and are not to be archived; public)
6. Plans (retain permanently and are not to be archived; public)

Personnel

Records series description

1. Affidavit of publication for job opening (retain at least 2 yrs.; public/private; MS 13.43)
2. Affirmative action files (retain permanently; public/private; MS13.39 & MS13.43)
3. Applications for employment, not hired (retain 1 year ; public)
4. Ceta records (retain at least 6 yrs; public) includes pay records
5. District personnel policies and procedures/administrative policies (retained permanently and are not to be archived; public)
6. Employment contracts (retain at least 5 yrs. after expiration; public)
7. Employment suggestion form (retain at least 2 yrs.; public/private; MS 13.43)
8. Equal employment opportunity reports/summary data (retain 3 yrs.; public)
9. Examination file (retain at least 3 yrs.; private; MS 13.43) completed examinations
10. Employee medical records (retain 5 years after separation; public/private; MS 13.43)

11. Grievance file (retain 5 years after termination; not to be retained in employee personnel file; public/private; MS 13.43)
12. Job descriptions (retained only until the descriptions are superseded and are not to be archived; public)
13. Personnel files (retain at least 5 yrs. after termination or separation; destruction approval contingent upon permanent retention of master copy of payroll record; public/private; MS 13.43)
Containing applications, accident reports, citations, personal history, employee references, attendance, disciplinary actions, performance evaluations, letters of appointments/promotion, termination/resignation
14. Unemployment claims/compensation (retain at least 6 yrs; public/private; MS 13.43)

Projects

Records series description petitioned projects

1. Board documents relating to petitioned projects (retain 10 yrs. And then transfer to state archives; public) - Resolutions, findings, conclusions
2. Contracts (retained permanently and are not to be archived; public)
3. Correspondence relating to petitioned projects (retain at least 10 yrs. and then transfer to state archives; public)
4. Engineers' reports, plans, slides, photographs (retained permanently and are not to be archived; public)
5. Petitions (retain at least 10 yrs. And then transfer to state archives; public)
6. Property survey (retain permanently; public)
7. Public hearing documents/Notices/Testimony Written/Audio (retained at least 6 yrs or until recorded in the minutes; public; and are not to be archived)
8. Related public hearing documents (retain at least 10 yrs. are not to be archived; public)

Non-petitioned projects

1. Board documents relating to non-petitioned projects (retain at least 10 yrs. and then transfer to state archives; public)
2. Contracts (retain at least 10 yrs. and then transfer to state archives; public)
3. Correspondence relating to non-petitioned projects (retain at least 10 yrs. and then transfer to state archives; public)
4. Engineers' reports, related documents (retain at least 10 yrs. and then transfer to state archives; public)
5. Property surveys (retain permanently; public)
6. Related public hearing documents (retain at least 10 yrs. and then transfer to state archives; public)

Programs

Records series description

1. Water quality, lake elevation, stream flow data (Field notes and raw data retained until final report is completed. Final reports retained permanently, or transferred to state archives; public)
2. Public opinion surveys (retain permanently or transfer to state archives; public)
3. Plans
 - Watershed Management Plans (retain permanent or transfer to state archives; public)
 - Local Water Management Plans for member LGUs (retain until updated; public)
 - Board approved program plans and workplans (retain at least 6 yrs. and are not to be archived)
4. District Rules (Retain permanently, public)

Bassett Creek WMC has this as a table, which may be easier to read (source: Michael Welch, Smith Partners). It is the same as for Minnehaha Creek WD:

Bassett Creek Watershed Management Commission

Records Retention Schedule

Adopted XXX, 2011

All Commission records are created and retained in electronic forms, except that record series shaded below may be created and/or retain in hard copy form.

Administration

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Advisory and technical committees – agendas, minutes, reports, related documents	Retain 10 years, then may be transferred to state archives	Public	
Affidavits of publication a. General notices, including project public hearings b. Rules	a. Retain 6 yrs b. Retain permanently	a. Public b. Public	
Agenda, board meetings and workshops	Retain 10 years, then may be transferred to state archives	Public	
Agreements and contracts, not otherwise scheduled herein	Retain 10 yrs after paid and audited	Public	
Annual reports	Retain 10 yrs, then transfer to state archives	Public	
Attorneys' opinions a. Opinions of Commission attorney and correspondence relating thereto b. Official interpretation regarding questions of legal rights or liabilities affecting Commission	a. Retain permanently or transfer to state archives when no longer needed b. Retain 10 yrs, then transfer to state archives	a. Public b. Public/Private-nonpublic	a. b. 13.393 13.39
Authority to dispose of records	Retain permanently	Public	

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Bids and Quotations <ul style="list-style-type: none"> a. Accepted, noncapital projects b. Rejected, noncapital projects 	<ul style="list-style-type: none"> a. Retain 10 yrs after completion of project b. Retain 6 yrs 	<ul style="list-style-type: none"> a. Public/nonpublic b. Public/protected nonpublic until all bids opened 	<ul style="list-style-type: none"> a. 13.37 b.
Budgets – record copy	Retain permanently or transfer to state archives	Public	
Consultant Contracts	Retain 10 yrs	Public	
Correspondence <ul style="list-style-type: none"> a. Constituents b. Municipalities/State Agencies c. Engineer d. Financial e. Transitory, such as electronic mail not in one of the above categories 	<ul style="list-style-type: none"> a. Retain 6 yrs, then archive if documents historical b. Retain 6 years, then archive if historical c. Retain 10 yrs, then transfer to state archives d. Retain 5 yrs then transfer to state archives e. Retain until read 	Private/public	13.37; 13.44
Drafts, duplicates, notes and other documents that have not become part of an official transaction, not otherwise scheduled herein	Retain 2 yrs	Public	
Governance <ul style="list-style-type: none"> a. Bylaws b. Policies 	<ul style="list-style-type: none"> a. Retain permanently b. Retained only until superseded 	<ul style="list-style-type: none"> a. Public b. Public 	
Historical data and photographs	Retain permanently or transfer to state archives	Public	
Inventories – equipment supplies, etc.	Retain 10 yrs	Public	

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Lawsuits <ul style="list-style-type: none"> - General - Civil Lawsuits - Criminal Lawsuits - Attorneys' opinions, attorneys' briefs, testimony, depositions, correspondence, etc 	a. Retain 10 yrs after settlement or resolution by court, administrative order and then transfer to state archives b. Retain 20 years after last activity c. Retain 2 years after last activity d. Retain 10 yrs, then archive	a. Public/private b. c. d. Public/private/ and non-public	a. 13.30, 13.39 b. c. d. 13.393, 13.39
Leases	Retain 10 yrs after expiration of lease	Public	
Levy (tax) files – tax levies, related correspondence	Retain 5 yrs then transfer to state archives	Public	
Manuals	Retain until removed or superseded	Public	
Membership association documents (MAWD, Metro MAWD, etc.)	Retain 3 yrs	Public	
Minutes – Board meetings and workshops	Written - Retain permanently Audio – open meetings (tapes and other recordings may be reused or discarded 1 yr. after formal approval of written minutes by board. Tapes or electronic recordings cannot be the permanent record). Audio – closed meetings (3 yrs for labor negotiations, 4 yrs for security information; 8 yrs for purchase or sale of real property; non-public/public; MS 13D.05, 13.37) (ADM 05960)	Public	
Newsletters, press releases generated by the Commission	Retain 10 yrs	Public	
Notices – official Commission meetings	Retain 6 yrs	Public	

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Public hearings records	Retain 6 yrs or until recorded in minutes, do not archive	Public	
Recordings <ul style="list-style-type: none"> a. Board meetings and workshops – audio recordings, closed meetings b. Board meetings and workshops – open 	<ul style="list-style-type: none"> a. Tapes and other recordings may be discarded 3 yrs after meeting; 8 yrs or until purchase or sale is completed or abandoned for real estate negotiations. b. Tapes and other recordings may be reused or discarded 1 yr after formal approval of written minutes by board 	<ul style="list-style-type: none"> a. Nonpublic/public b. Public 	<ul style="list-style-type: none"> a. 13D.05, subd. 3; 13.37
Technical Information <ul style="list-style-type: none"> a. Printed material regarding the Commission b. Printed material not regarding the Commission 	<ul style="list-style-type: none"> a. Retain 10 yrs, then transfer to state archives b. Discard when no longer needed 	<ul style="list-style-type: none"> a. Public b. Public 	

Bonds

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Appearance bonds	Retain 6 yrs after completion of contract	Public	
Contractor license bonds, certificates of insurance, etc.	Retain 6 yrs after completion of contract	Public	
Fidelity bonds – managers	Retain 6 yrs after completion of service by manager	Public	
Performance and payment bonds	Retain 6 yrs after completion of contract	Public	
Permit bonds	Retain 6 yrs after permit	Public	

	closure ⁴		
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Financial/Accounting

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Assessment rolls – copies of assessment rolls received from county auditor	Retained 6 yrs after final payment	Public	
Audit reports	Retain permanently	Public	
Billing statements	Retain 6 yrs	Public	
Bank statements – slips, bonds and reconciliations	Retain 6 yrs	Public	
Budget expenditure reports	Retain permanently	Public	
Checks – paid and returned a. Accounts payable b. Payroll	a. Retain 6 yrs b. Retain 6 yrs	a. Public b. Public/private	
Receipt registers	Retain permanently, and not archived	Public	
Deposit slips	Retain 6 yrs	Public	
General ledger – general, month-end	Retain permanently and do not archive	Public	
Investment documents – amounts invested and interest earned	Retain 4 yrs after maturity	Public	
Payroll	Retain permanently	Public/private	13.43
Pension and retirement plan	Retain permanently	Public or private	
Purged accounts	Retain 6 yrs (irrespective of audit)	Public	
Receipts and receipt books	Retain 6 yrs and do not archive	Public	
Staffing lists	Retain 6 yrs	Public	
Time sheets	Retain 6 yrs	Public/Private	13.43
W-2 statements	Retain 6 yrs	Public/Private	13.43
W-4 statements	Retain until replaced		
Workers' compensation	Retain 20 years	Public/Private	176.231

⁴ Retain copy if original returned to provider.

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
reports			
1099 statements	Retain 6 yrs	Public/Private	13.43

Insurance

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Insurance – automobile, fire or other perils, property, public officials, general liability, umbrella liability	Retain 6 yrs after expiration	Public	
Workers' compensation a. Claim register b. Policies	a. Retain permanently b. Retain 6 yrs after expiration except those involving a minor, save until minor is 21	a. Public b. Public	a. 176.231

Permits

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Applications – permits	Retain 10 yrs, then transfer to state archives	Public	
Correspondence – relating to permits	Retain 10 yrs, then transfer to state archives	Public	
Engineer's reports	Retain 10 yrs, then transfer to state archives	Public	
Inspectors' reports – includes reports, inspectors' documents relating to permit inspections	Retain 10 yrs, then transfer to state archives	Public	
Permit financial assurances – bonds, letters of credit	Retain 6 yrs after permit closure	Public	
Permits	Retain permanently	Public	
Plans	Retain permanently	Public	

Capital Improvement Projects

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Commission documents relating to projects	Retain 10 yrs, then transfer to archives	Public	
Contracts	Retain 10 yrs, then transfer to state archives	Public	
Correspondence relating to projects	Retain 10 yrs, then transfer to state archives	Public	
Engineer's reports and related documents	Retain 10 yrs, then transfer to state archives	Public	
Property surveys	Retain permanently	Public	PLZ 02200
Related Public hearing documents	Retain 10 yrs, then transfer to state archives	Public	

Programs

<i>Name – Description</i>	<i>Retention, Archiving Instructions</i>	<i>Classification</i>	<i>State Statutory Reference</i>
Water quality, lake elevation, stream-flow a. Field notes and raw data b. Final reports	a. Retain until final report completed b. Retain permanently or transfer to state archives	Public	
Public opinion surveys	Retain permanently or transfer to state archives	Public	
Plans a. Watershed management plans b. Local water management plans c. Program plans and work plans – approved by Board	a. Retain permanently or transfer to state archives b. Retain until updated c. Retain 6 yrs and do not archive	a. Public b. Public c. Public	
Rules – Commission approved	Retain permanently	Public	

COMFORT LAKE – FOREST LAKE WATERSHED DISTRICT

INTERNAL POLICY & PROCEDURES MANUAL

Policy # 1
Pages: 1 of 2
Program: Administration: Internal Control
Policy Name: Data Practices Policy and Procedures

Policy:

It is the policy of the Comfort Lake – Forest Lake Watershed District (CLFLWD) to provide public information as required by Minnesota Statutes, 13.03. This policy is in effect for all persons or entities that come to CLFLWD to review files and all those who request information from CLFLWD via mail, facsimile, e-mail, over the telephone or in person.

Background:

Public access to the data of public bodies is governed by the Data Practices Act (DPA), Minnesota Statutes, Chapter 13. The DPA states that data of public bodies are to be available to the public unless specifically exempted under the law in cases where individual privacy would be violated or where other valid concerns outweigh the interest in public availability. The CLFLWD recognizes the public interest in open access to its data as well as the public interest that requires that certain types of data not be publicly available. It is the intent of the CLFLWD to comply fully with the DPA and, where the DPA allows for the exercise of judgment, to exercise that judgment consistent with the public interests underlying the law.

This policy is adopted pursuant to Section 13.03, subdivision 2 of the DPA, which states that every public body shall establish procedures to implement the DPA.

Procedure for Review of CLFLWD Documents

All requests to inspect or receive copies of CLFLWD data, and all other inquiries regarding the DPA, should be addressed to the “Data Practices Compliance Official,” at the following address:

Comfort Lake – Forest Lake Watershed District
 220 North Lake Street
 Forest Lake, MN 55025
 (651) 209-9753
 fax (651) 209-9754

The CLFLWD Administrator is designated as the Data Practices Compliance Official.

Requests to inspect or obtain copies of CLFLWD data are to be in writing to ensure that the CLFLWD’s response is timely and complete. In the case of an individual who wishes to inspect CLFLWD data, it will help to ensure that documents of interest have been gathered, that documents to be withheld from inspection pursuant to the DPA have been segregated, and that someone is available to assist the requesting individual. The CLFLWD will cooperate with the requesting individual to arrange a mutually convenient time for the visit.

The DPA requires that individuals be permitted to inspect or copy data within a reasonable

time of a request. The CLFLWD will attempt to respond to requests as quickly as possible. The response time will vary depending on the breadth of the request and the other matters requiring the attention of staff at the particular time.

If the CLFLWD determines that certain data cannot be made available for inspection or copying, it will inform the individual of the classification of the data in question under the DPA and of the legal basis for denial of access. On the request of the individual, the CLFLWD will certify in writing that the request has been denied and state the specific legal basis for denial.

The CLFLWD may provide requested copies of data immediately or may advise that the copies will be provided as soon as reasonably possible thereafter. The ability to provide copies immediately depends on the number of copies requested, the availability of copying equipment, staff workload and the need to deliver the data elsewhere for copies to be made (e.g., oversized documents, tapes, electronic data). The CLFLWD will make reasonable accommodation for those who wish to use their own copying machine, scanner or other equipment on the CLFLWD premises. CLFLWD files may not be removed from the CLFLWD premises.

Costs

There is no cost to inspect documents. If document copies are requested, the requesting individual will be charged 15 cents per page for ordinary-sized documents.

With respect to oversized copies, tapes, electronic data, photographs, slides and other unusual formats, the requesting individual will be responsible for the actual cost incurred by the CLFLWD to make the copy itself or to use a vendor. In addition, as the DPA provides, an individual requesting copies or the electronic transmittal of data is responsible to pay the CLFLWD the actual cost, including the cost of staff time, to search for and retrieve data and to make, certify, compile and transmit copies. The CLFLWD will not charge for the staff time needed to separate public data from data that are not public.

If an individual so asks, before copies are made the CLFLWD will advise of the approximate number of pages of documents responsive to a request or the likely cost of responding to a request. Payment may be made by cash or check. In its discretion, and in particular when a request is large, may involve substantial staff time or may require use of a vendor, the CLFLWD may require payment in advance.

When an individual asks for a copy of data that has commercial value and was developed with a significant expenditure of public funds by the CLFLWD, the CLFLWD may charge a reasonable fee that relates to the actual cost of developing the data. On request, the CLFLWD will provide an explanation of how the fee was determined.

AUTHORIZED

Adopted:

APPROVAL

BY-LAWS OF RICE CREEK WATERSHED DISTRICT

(By-Laws adopted by Rice Creek Watershed District under Chapter 103D.315: Subd. 11.
“Administration By-Laws: *“The managers shall adopt By-laws for the administration of business and affairs of the watershed district.”*)

ARTICLE I.

NAME

Section 1. **NAME:** Rice Creek Watershed District

Section 2. **ABBREVIATIONS:** Throughout these By-Laws whenever it is desirable to abbreviate the name of the Rice Creek Watershed District, the initials “RCWD” shall be used.

ARTICLE II.

PURPOSE

Pursuant to MN Statute 103D.201, Watershed Districts’ General **Purpose** is as follows:
“To conserve the natural resources of the state by land use planning, flood control, and other conservation projects by using sound scientific principles for the protection of the public health an welfare and the provident use of the natural resources”.

ARTICLE III

RCWD OFFICE and WATERSHED DISTRICT’S BOUNDARIES

Section 1. **DISTRICT OFFICE:** RCWD office is located at 4325 Pheasant Ridge Drive, Suite 611; Blaine, MN 55449-4539.

Section 2. **BOUNDARIES of RCWD:** RCWD covers an area of 201 square miles. Included in its boundaries are twenty-nine (29) cities or townships, partially or in their entirety.

ARTICLE IV

BOARD OF MANAGERS

Section 1. **DISTRIBUTION of MANAGERS and APPOINTMENT THEREOF:** Pursuant to MN Statute 103D.301, Distribution of Manager Positions, Subdivision 1: More than one affected county. *“If more than one county is affected by a watershed district, the board must provide that managers are distributed by residence among the counties affected by the watershed district.”* 103D.301 Subd. 3: *“...The county board of commissioners of a county affected by the watershed district...”* appoints the manager.

Section 2. COMPOSITION of RCWD BOARD OF MANAGERS: RCWD is composed of five managers appointed by three of the four counties in the watershed district; Ramsey County, two (2) managers; Anoka County, two (2) managers; and Washington County, one (1) manager. There is no one appointed from the fourth county, Hennepin County due to the fact that it has only a fraction of its land in RCWD.

Section 3. TERMS OF OFFICE: Appointments made by the respective counties' Board of Commissioners to the RCWD Board of Managers are for three-year terms. Terms of office begin in January of the year they are appointed unless a county delays in the appointment of a manager.

Section 4. BONDING: Before assuming the duties of the Board, each Board member, at District expense, will obtain and file a bond in accordance with Minnesota Statutes §103D.315, subdivision 2. The Board, at District expense, will provide for insurance for its members to provide liability protection on such terms and in such amounts as the Board decides.

Section 5. VACANCIES: Any manager who is unable to fulfill their three-year term of office on RCWD Board of Managers shall notify their respective county commissioner of the fact they will leaving their positions as manager on the RCWD so the county they represent can appoint another manager as soon as possible to complete the departing manager's term in office.

Section 6. COMPENSATION: MN Statute 103D.315 Subd. 8: *"The compensation of managers for meetings and for performance of other necessary duties may not exceed \$75 a day. Managers are entitled to reimbursement for traveling and other necessary expenses incurred in the performance of official duties."*

Section 7. SUBMISSION OF MANAGERS EXPENSES: A claim form shall be filled out by each manager and submitted to the RCWD office to be processed and approved in the same manner as other claims.

Section 8. DUTIES of MANAGERS in STATUTE: Chapter 103D.315 "Managers" defines additional duties of the watershed district's managers.

- (a) Board shall delegate to the administrator authority to make expenditures that are consistent with the approved budget and expenditures that are not a part of the approved budget under \$500.
- (b) Board shall designate the official District depository and official newspapers annually at the first regular meeting in February.

ARTICLE V.

OFFICERS

Section 1. ELECTION of OFFICERS: The following officers shall be elected each calendar year on or before the first regularly scheduled meeting in February: President, First Vice-President, Second Vice-President, Secretary and Treasurer. Terms are for one-year unless re-elected.

Section 2. OFFICER VACANCIES: MS 103D.315 Subd. 3: *“The managers must fill vacancies occurring in the officers’ positions.”*

Section 3. TEMPORARY APPOINTMENTS OF OFFICERS: The Board may appoint a Board member as officer pro tem if an officer is absent or disabled and action by that officer is required.

Section 4. DUTIES of OFFICERS:

- (a) **President:** The President shall preside at all meetings of the Board of Managers. The President shall serve under the supervision and direction of the Board and shall see that all orders and resolutions of the Board are carried into effect. The President shall execute all contracts or instruments requiring an officer’s signature, unless otherwise directed by the Board, and shall have the general powers and duties usually vested in the office of President of the Board and shall have such other powers and perform such other duties as the Board may from time to time prescribe.
- (b) **First Vice-President:** In the absence of the President at a regularly held RCWD meeting, the First Vice-President shall preside at the meeting. The First Vice-President shall exercise and perform the authorities and duties of the President in the event of the latter’s absence, death, disqualification, or incapacity until the RCWD Board of Managers elect a new President. The First Vice-President shall exercise and perform such other authorities and duties as may be prescribed or limited from time to time by the Board of Managers.
- (c) **Second Vice-President:** In the absence of the President and the First Vice-President, the Second Vice-President shall preside at any regularly held RCWD meeting. The Second Vice-President shall exercise and perform such other authorities and duties as may be prescribed or limited from time to time by the Board of Managers.
- (d) **Secretary:** The Secretary shall cause to be recorded all votes and the minutes of all proceedings of the Board of Managers and of the members in a book to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the Board, and shall perform such other duties as may from time to time be prescribed by the Board or by the President.
- (e) **Treasurer:** The Treasurer shall have the care and custody of the funds and securities and shall disburse the funds of RCWD as may be ordered from time to time by the Board. The Treasurer shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books belonging to RCWD, and shall deposit all monies, securities and other valuable effects of the RCWD in the name and to the credit of the RCWD in such depositories as may be designated from time to time by the Board. Except to the extent that some other person or persons may be specifically

authorized by the Board to do so, the Treasurer shall make, execute, and endorse all checks and other commercial paper on behalf of RCWD when requested by the Board and shall perform such other duties as may be prescribed by the Board.

Section 5. AUTHORIZED SIGNATORIES BY MANAGERS: All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of RCWD shall be signed by two members of the RCWD Board of Managers. Checks may be endorsed through electronic signature.

Section 6. REMOVAL FROM OFFICE: Any officer may be removed at any time, with or without cause, upon the affirmative vote of two-thirds (2/3rd's) of the authorized votes of the Board of Managers.

ARTICLE VI.

MEETINGS OF RCWD BOARD OF MANAGERS

Section 1. REGULAR SET MEETINGS: The managers shall have regular meetings on the second and fourth Wednesday of each month and if such day shall fall on a holiday, an alternative date shall be set and noticed at least one-month prior to the changed meeting date.

Section 2. SPECIAL MEETINGS: Special meetings to conduct the business of the RCWD may be held and shall be legally noticed at any other time that the managers may deem necessary.

Section 3. PUBLIC HEARINGS: Public hearings shall be conducted pursuant to Chapter 429 or any other charter provision requiring a public hearing

Section 4. MEETING CALLED BY MANAGER: 103D.315 Subd. 10, states: “A meeting may be called at any time at the request of any manger. When a manager requests a meeting, the secretary of the watershed district must mail a notice of the meeting to each member at least eight (8) days before the meeting.” The district’s office administrator shall notify the managers as soon as possible of the time and place of the pending meeting.

Section 5. QUORUM and ADJOURNED MEETING: At all meetings of the managers, a majority of the managers appointed shall constitute a quorum to do business but a small number may adjourn from time to time.

Section 6. CHAIR of MEETINGS: The President shall preside as chairperson at all meetings of the managers. In the absence of the President, the First Vice-President shall preside. In the absence of both, the Second Vice-President shall serve as temporary President. The President and temporary President shall have the same privileges.

Section 7. MEETING FORMAT:

- (a) At the hour appointed for a meeting of the RCWD, upon reaching a quorum, the managers shall be called to order by the President or in his/her absence, by the acting President. The managers shall proceed to do business following a set agenda.
- (b) The President shall preserve order. The President may make motions, second motions or speak on any question, provided, however, that in order to do any of these things, upon demand of any manager, shall vacate the chair and designate a temporary President. The President, or acting President, shall be entitled to vote like other members/managers.
- (c) Every manager, prior to his/her speaking, shall address the President and shall not proceed until he/she has been recognized by the Chair.
- (d) If a manager has a personal interest in a matter that comes before the RCWD Board of Managers, the manager shall not vote on said issue.
- (e) No person other than a manager shall address the Board except with the consent of the President or by a vote of the majority of the managers present.
- (f) The President has the authority to set a time limit that a manager or a person addressing the board may speak.
- (g) All committees shall be appointed by the Chair unless expressly ordered by the Board. It shall be the duty of committees to act promptly and faithfully in all matters referred to them and to make reports at a future set time/date established by the board.
- (h) Minutes of all meetings of the RCWD Board of Directors shall be recorded, reviewed by the Board, adopted and kept at the District offices. They shall be signed by the Secretary and shall constitute an official record of the procedure.
- (i) Any member may request that the yeas and nays be recorded on any motion voted on by the Board and such request will be granted by the President.

Section 8. CONFLICTS OF INTEREST: A manager who has a personal financial interest, or other private interest or relationship that limits the manager's ability objectively to consider, deliberate or vote, in a matter scheduled to come before the board must prepare a written statement describing the matter requiring action and the nature of the potential conflict, and deliver the statement to the president of the board of managers prior to the board's consideration of or taking action on the matter. If a potential conflict arises and a manager does not have sufficient time to prepare a written statement, the manager must orally inform the board. Managers must abstain from chairing any meeting, participating in any discussion, offering any motion, or voting on any matter that substantially affects the financial interest of the manager, a family member, an associated business, unless the effect on the manager's interest is no more than would be on any other member of the manager's profession, occupation or business classification. Managers must also abstain from chairing any meeting, participating in any discussion, offering any motion, or voting on any matter in which a private interest or relationship of the manager limits the manager's ability objectively to consider, deliberate or vote. The manager's nonparticipation in the matter will be recorded in the minutes.

Section 9. APPEAL OF A CHAIR RULING: A member may appeal to the Board from a ruling of the Chair. If the appeal is seconded, the member may speak once solely on the question involved and the Chair may explain his or her ruling, but no other Board member will participate in the discussion. The appeal will be sustained if it is approved by a majority of the members present exclusive of the Chair.

ARTICLE VII.**PARLIMENTARY AUTHORITY**

Section 1. PARLIMENTARY AUTHORITY: Robert's Rules of Order Newly Revised (Tenth Edition) shall govern RCWD's meetings in all cases to which they are applicable and in which they are not inconsistent with these By-Laws and/or any special rules of order RCWD may adopt.

Section 2. SUSPENSION: Robert's Rules of Order may be temporally be suspended by consent of the majority of the managers.

ARTICLE VIII.**RCWD ADVISORY COMMITTEE**

Section 1. ADVISORY COMMITTEE REQUIRED: Pursuant to 103D.331 Subd. 1. *"The managers must annually appoint an advisory committee to advise and assist the managers on all matters affecting the interests of the watershed district and make recommendations to the managers on all contemplated projects and improvements in the watershed district."*

Section 2. MEMBERS OF ADVISORY COMMITTEE: 103D.331 Subd. 2 Members:

(a) *"The advisory committee consists of at least five members. If practicable, the advisory committee members selected should include a representative from each soil and water conservation district, a representative of each county, a member of a sporting organization, and a member of a farm organization. Other advisory committee members may be appointed at the discretion of the managers. The members must be residents of the watershed district, except representatives from soil and water conservation districts and counties, and serve at the pleasure of the managers."*

(b) *"In addition, the managers may appoint other interested and technical persons who may or may not reside within the watershed district to serve at the pleasure of the managers."*

ARTICLE IX.**TECHNICAL ADVISORY COMMITTEE**

TECHNICAL ADVISORY COMMITTEE: MS103D.337: *"For a district wholly within the metropolitan area, the Board of Managers shall establish a technical advisory committee*

consisting of representatives of affected statutory and home rule charter cities, counties, and soil and water conservation districts.”

ARTICLE X.

ANNUAL REPORT

Section 1. ANNUAL REPORT: MS 103D.351: *“(a) The managers must prepare a yearly report of the financial conditions of the watershed district, the status of all projects, the business transacted by the watershed district, other matters affecting the interests of the watershed district, and a discussion of the managers plans for the succeeding year.”*

Section 2. COPIES DISTRIBUTED: MS 103D.351: *“(b) Copies of the report must be transmitted to the Board of Water and Soil Resources, the commissioner, and the director within a reasonable time.”*

ARTICLE XI.

ANNUAL AUDIT

ANNUAL AUDIT: MS 103D.355, Subd 1. Requirement: *“The managers must have an annual audit completed of the books and accounts of the watershed district. The annual audit may be made by a public accountant or by the state auditor. The annual audit must be made by a certified public accountant or the state auditor at least once every five years, or when cumulative district revenues or expenditures exceed an amount established by the board in consultation with the state auditor.”*

ARTICLE X.

WATERSHED MANAGEMENT PLAN

WATERSHED MANAGEMENT PLAN. MS 103D.401, Subd. 1. Contents:

- (a) *“The managers must adopt a watershed management plan for any and all of the purposes for which a watershed district may be established. The watershed management plan must give a narrative description of existing water and water-related problems within the watershed district, possible solutions to the problems, and the general objectives of the watershed district. The watershed management plan must also conform closely with watershed management plan guidelines as adopted and amended from time to time by the Board of Water and Soil Resources.”*
- (b) *“The watershed management plan may include a separate section on proposed projects. If the watershed district is within the metropolitan area, the separate section of proposed projects or petitions for projects to be undertaken according to the watershed management plan is a comprehensive plan of the watershed*

district for purposes of review by the Metropolitan Council under section 473.165.”

ARTICLE XI.

AMENDMENT TO BY-LAWS

Section 1. RCWD BY-LAWS MAY BE AMENDED, repealed, or adopted by a majority of the RCWD Board of Managers upon thirty (30) days written notice of the proposed change in its entirety during a meeting of the RCWD Board of Managers unless said notice is waived by all of the managers. Notice of such alteration or amendment is to be contained in the notice of such meeting. The alteration/s or amendment/d must pass by a 4/5th's vote of the RCWD Board of Managers.

Section 2. INTERPRETATION of the By-Laws and any amendment or additions thereto shall rest with the RCWD Board of Managers.

Section 3. TEMPORARY SUSPENSION OF BYLAWS: These rules may be temporarily suspended by consent of a majority of the managers.

ARTICLE XII.

REVIEW OF BY-LAWS

THESE BY-LAWS shall be reviewed at least very five years and revised if needed. These bylaws govern internal RCWD matters and do not create rights in any third parties.

August 11, 2004 meeting.

Motion by Manager Haake, seconded by Manager Aiken, to approve the draft to become the official Bylaws of the Rice Creek Watershed District. Motion carried 5-0.

April 11, 2007 meeting.

Motion by Manager Haake, seconded by Manager Oven, to approve the amendment of Article VI, Section 8 of the Rice Creek Watershed District by-laws. Motion carried 4-1 (Manager Waller opposed).

RESOLUTION NO. 04-08
RICE CREEK WATERSHED DISTRICT
BOARD OF MANAGERS
RESOLUTION ADOPTING
RICE CREEK WATERSHED DISTRICT EVENT POLICY

Manager Haake offered the following Resolution and moved its adoption, seconded by Manager Aiken:

WHEREAS: The RCWD is comprised of three "parts": a Board of (five) Managers, and under law, an Advisory Committee, and employed Staff members; and

WHEREAS: The Board of Managers is paid on a per diem basis; the Advisory Committee is comprised of unpaid volunteers; and the Staff is paid an annual salary; and

WHEREAS: The RCWD recognizes the need to show its appreciation to its Managers, its Advisory Committee and its Staff; and

WHEREAS: During the year, there may be resignations from one of the three "parts" of the RCWD; and

WHEREAS: The RCWD wishes to recognize the contributions of its Managers, Advisory Committee and its Staff for their yearly work for the RCWD;

THEREFORE BE IT RESOLVED: That the RCWD holds an Annual Appreciation Dinner/Event paid for by RCWD for the above three "parts" of the RCWD along with the individual's guest; that RCWD's consultants or any other participant who wishes to attend shall pay a fair "dinner/event" cost. RCWD Managers and Staff shall not charge RCWD per diem nor "overtime" pay for the event. This Dinner/Event shall honor departures of Managers/Staff/Advisory Committee members; various accomplishments of the District/individuals and express appreciation to members for their time and dedication to Watershed work that took place during the year preceding the annual Dinner/Event.

The question was on the adoption of the Resolution and there were 5 yeas, 0 nays and 0 abstentions as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>
CARDINAL	X		
AIKEN	X		
HAAKE	X		
KARTH	X		
LEROUX	X		

Upon vote, the Chair declared the Resolution passed.

Dated: August 11, 2004

 Roger Aiken, Secretary

I, Roger Aiken, Secretary of the Rice Creek Watershed District, do hereby certify that have compared the above resolution with the original thereof as the same appears of record and on file with the District and find the same to be a true and correct transcript thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 11 day of August,
2004.

Roger Aiken, Secretary

APPENDIX C

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Appendix C-1

THE WATERSHED BOARD MEETING

A. Running your board meeting

NOTE: Remember that the Open Meeting Law applies to meetings of the watershed district board. See Section IV. B for information on the law.

Elements of a successful meeting

The key to a productive meeting lies in developing and following format. This will allow you to conduct business quickly, efficiently and constructively. This format should contain:

- Board meeting orientation: Call meeting to order on time. Take attendance. Recognize visitors.
- Reports: Approve the agenda, minutes and treasurer's report. These should be sent to each member in advance to provide adequate time to respond and to streamline your meeting. Hear committee and administrators' reports. This will involve designated board members and staff, including technicians and consultants.
- Business decision making: Unfinished business such as tabled motions, actions interrupted by adjournment and items intentionally carried over should be addressed. Consider new business. Deal with items needing a motion and a vote. Some issues, such as an administrator's evaluation and long-range planning don't belong except as reports or for specific recommendation for board action.
- Ending formalities: Make informational announcements on which no action is required. Adjourn the meeting. A motion, second and majority vote are required.

Added tips

To add to a successful meeting, consider that the early part of a meeting tends to be more lively and creative than the end of it, so if an item needs mental energy, bright ideas, and clear heads, it may be better to put it high on the list. If an item is of great interest and concern, it may be a good idea to hold it back and get some other items taken care of first.

Then the star item can be introduced to carry the meeting over the attention lag that sets in after the first fifteen to twenty minutes.

Some items unite the meeting while others divide the members. Whether the president starts or finishes with an agenda item which splits the board, the point is to be aware of the choice. It may make a difference in the whole atmosphere of the meeting. As a rule, it is a good idea to find an item of agreement with which to end the meeting.

A common fault is to dwell too long on trivial items or run off on tangents. This can be remedied by putting on the agenda the time at which discussion of the important long-term issues will begin and by sticking to it.

Include a finishing time as well as a beginning time on the agenda.

B. Parliamentary procedure

Although parliamentary procedure may seem confusing at first, it is important that board members learn and use it. When they do, you will find that your meetings are briefer and more productive.

Order of business

1. The meeting is called to order by the president..
2. Roll call (if used)
3. The minutes of the preceding meeting may be read by the secretary and may be approved as read, or may be approved with additions or corrections.
4. Monthly statement of treasurer is “received as read and filed for audit” (president so states). No motion of approval is necessary.
5. Reports of standing committees are called for by the chair.
6. Reports of special committees are called for by the chair.
7. Unfinished business is next in order at the call of the chair.
8. New business is called for by the chair.
9. If the meeting is an annual or special meeting, the program--such as awards, a speech, etc.--follows. The program is considered part of the meeting. The chair presides throughout.

Principle motions

A general statement is a motion that has been made, seconded, and stated by the president.

The assembly is not at liberty to consider any other business until this motion has been disposed of. If the motion is long and involved, the president asks the mover to hand it in writing to the secretary. The mover cannot withdraw the motion after it has been stated by the president. In general, all important motions should be seconded, which may be done without rising or addressing the president.

Typical steps in a motion are:

1. Address president
2. Recognized
3. State motion
4. Second motion
5. Stated to group by president
6. Discussion
7. Vote
8. Announcement of results

Terminology

To amend: This motion is “to change, and/or omit words” in the original main motion, and is debatable; it must be approved by a majority vote. To amend an amendment is a motion to change, add or omit words in the amendment; it is debatable and must be decided by a majority vote. Method: The first vote is on changing words of the amendment; the second vote (if first vote adopts change) on first amendment as changed; the third vote is on adopting main motion as changed.

To commit: When a motion becomes involved through amendments or when it is wise to investigate a question more carefully, it may be moved to commit the motion to a committee for further consideration. Debatable and amendable.

To lay on the table: The object of this motion is to postpone the subject under discussion in such a way that it could be taken up at some time in the near future when a motion “to take from the table” would be in order. These motions are not debatable or amendable; majority vote.

To postpone: A motion to postpone the question before the assembly to some future time is in order, except when a speaker has the floor; debatable; majority vote.

To adjourn: This motion is always in order except:

- when a speaker has the floor
- when a vote is being taken
- after it has just been voted down
- when the assembly is in the midst of some business which cannot be abruptly stopped

When the motion is made to adjourn to a definite place and time, it is debatable. To reconsider: The motion to reconsider can be made on a motion that was carried or lost in order. The motion is to reconsider a motion that was carried or lost in order, if made on the same day or the next calendar day, must be made by one who voted with the prevailing side. The motion is debatable and must be decided by a majority vote. It requires two votes: first on whether it should be reconsidered; second on original motion after reconsideration. No questions can be twice reconsidered.

The previous question: This motion is to close debate on the pending question. This motion may be made when debate becomes long and drawn out. It is not debatable. The form is “Mr. or Madam President, I move the previous question.” The president then asks “Shall debate be closed and the question now be put?” If this is adopted by a two-thirds vote, the question before the assembly is immediately voted upon.

Point of order: This motion is always in order, but can be used only to present an objection to a ruling of the president or some method of parliamentary procedure. (For example, if the president makes a procedural mistake and allows someone not voting on the prevailing side to move to reconsider a motion.) This form is “(Mr. or Madam

President, I rise to a point of order.” The president: “Please state your point of order.” After the member has stated the objection, the president answers, “Your point of order is sustained” or “Your point of order is denied”.

Any member who is not satisfied may appeal the decision of the president. The president then addresses the assembly, “Shall the decision of the president be sustained?”; this is debatable and the presiding officer may discuss it without leaving the chair. Voted on like any other motion. Majority of the vote sustains the decision of president. Requires a majority of “no” votes to reverse decision of the president.

Main motion: To bring business before the board.

Vote immediately: To stop discussion and get a vote.

Parliamentary inquiry: To let a member ask a question.

Division: A request for the president to use a more accurate method of voting, generally a show of hands. “Mr. or Madam President, I call for a division on that last vote”.

Refer to committee: To allow for study and investigation by a smaller group. “I move to refer the main motion to the Technical Advisory Committee, the Citizens Advisory Committee, or a committee of those appointed by the president.”

Quorum: The minimum number of members who must be present in order to transact legal business.

Precedence: Refers to the rank of motions. When a motion has been made, any motion of higher order may be proposed but no motion of lower order may be proposed. (There are a few exceptions.) Motions are discussed and voted upon in inverse order to their proposal. (The last motion made will be acted on first.)

Study of parliamentary procedure

Simplified Parliamentary Procedure

NACD
 Box 355
 League City, Texas 77573
 Aver, J. Jeffrey, Essentials of Parliamentary Procedure
 2nd Edition, Appleton-Century-Crafts, Inc., New York

Sikkink, Donald, Understanding Parliamentary Procedure
 Peaceful Acres Press
 17614 -33rd Avenue
 Clearwater, MN

C. Good minutes

Minutes are the official record of board action. They need to be accurate, concise and complete. Minutes contain official history and permanent record of the proposals, reports, and decisions of the members. They are of vital importance to an organization, providing an invaluable reference, and, if the situation arises, the courts give them great weight regarding their use as evidence. Auditors depend on them for proof of authorization for expenditures.

The importance of minutes should not be taken lightly or dealt within a lackadaisical manner. Careful review before the meeting to address errors and raise concerns can be accomplished by providing each board member with a copy three or four days prior to the scheduled meeting date. This provides an adequate amount of review time and contributes to a smoother, more efficient meeting.

The elected secretary, working under the direction of the president, is responsible for the minutes. They should be prepared as soon after a meeting as possible to ensure their accuracy. An employee may prepare them under the direction of the secretary, but only the elected secretary may sign them.

Formats may vary from district to district, but should contain the following general information:

- all actions; not discussion
- date
- hour
- location
- type of meeting
- presiding officer and board members in attendance
- fact a quorum was present
- a record of motions, including:
 - whether it passed or failed
 - name of individual making motion
 - name of second

- how motion was disposed of
- exact wording
- number voting on each side
- each member's vote on a roll call
- time of adjournment, which should close the minutes

Special reports and committees

Each report:

- should be recorded with the name of member presenting it
- should include action taken on the report
- should include reference to file where the report may be found

NOTE: You may want to summarize report.

Minutes kept by committees are often more detailed than the minutes of the meetings of the organization because committee minutes frequently serve as the basis for the committee's report. Minutes of committee hearings frequently list those who speak for or against proposals and summarize the facts presented by each speaker.

D. Officer duties

Regular monthly meetings are a must if the district is to be successful. Managers, as representatives of the people, are obligated to conduct the business of the district in an orderly and business-like manner. Successful board meetings depend upon the direction given by the president and upon the willingness of board members to carry out their assignments as appointed.

President

The president (or chair) is the steering mechanism of your district. It is up to the president to do that little extra to motivate board members and other public-minded individuals to do what they can to assist in serving the present and future citizens of the district. After a few years of board experience a manager should welcome the opportunity to be president of the board. It provides an opportunity to become more closely involved and gain a broader perspective of the total program and its purpose.

Specific responsibilities of the president are to:

- preside at all meetings
- call special meetings when necessary
- communicate with district office staff members, consultants, and the heads of other agencies involved prior to the scheduled meeting to address agenda items. This can be done by a short office visit and perhaps a few telephone calls. A formal meeting may not be necessary.
- refer regularly to the long-range goals of the district and the district plan of work and operations when preparing the agenda, trying to ensure that all planned activities are addressed.
- make sure a copy of the agenda, minutes of the previous meeting and a financial statement (at a minimum) are sent to each board member three to four days prior to the meeting.
- see that agendas and pertinent material are sent to all individuals who should attend the meeting and take part in the discussion.

- keep in contact with other managers on the progress of various programs delegated. Insist on regular attendance of managers.
- call meeting to order promptly and at the specified time. Follow proper rules of order for a business meeting. Adhere to the time schedule.
- recognize visitors and other individuals present at the board meeting
- assume the role of facilitator. This will encourage all managers to participate in discussion of existing issues.
- complete an item of business in the order listed before taking up the next item. Stick to the agenda.
- use the Technical Advisory committee and the Citizens Advisory Committee to involve individuals other than board members and require committee reports at board meetings.
- avoid the “rubber stamp approach”. Encourage board members to question staff or individual presenters regarding clarification of a specific point, thus allowing them to draw conclusions to adequately make their own decisions.
- adjourn meeting promptly after all business has been completed

Vice President

The vice-president position becomes most important in the absence of the president. The vice-president should note the activities of the president and how they are carried out, in case it is ever necessary for the vice-president to chair a meeting.

Specific duties of the vice-president are to:

- assume the duties of the president in the absence of the president
- assist in organizing and implementing the district program
- oversee the work of committees and coordinate their reports as delegated by the president
- be familiar enough with the total program of the district to be able to work closely with the president and fill in when necessary.

Secretary

The primary responsibility of the district board secretary is to arrange for the recording of official proceedings of the board and to see that the entire board approves the minutes as the legal record of the district. As public officials using public funds, these minutes should then be signed, becoming the permanent record of what is done and why. Copies for general information purposes should be forwarded to the area and central office of the Board of Water and Soil Resources. They can also be sent to other interested persons or organizations.

Specific duties of the secretary are to:

- make a complete record of all proceedings
- indicate date and place of meeting, refer to whether it is a regularly scheduled meeting or a special meeting, official presiding, names of all those present including visitors, organizations represented and names of managers absent.
- record each motion in full
- complete action on each item of business so that a record can be made of what was addressed and completed.

- initiate correspondence on behalf of the board as the need arises
- inform the chair of any business that should come before the board
- the secretary or president should sign the official copy of the board minutes after approval by the board at the next meeting

Treasurer

The district treasurer is responsible for the financial matters of the district, including the financial records. The treasurer co-signs district fund checks and special fund vouchers after approval of the board. The treasurer and secretary should be bonded.

Specific duties of the treasurer are to:

- maintain complete and accurate records of receipts and expenditures. Include district staff's program records and trial balance
- be prepared to answer questions from other board members regarding the monthly and or quarterly financial statement, as well as year-end figures.
- pay bills approved by the board and issue receipts for incoming funds or designate staff to do so
- make sure program records and general journal provides for adequate number of accounting categories to handle all general and special use programs
- assure that authorization for payment of bills by the district board is recorded in the minutes of the meeting
- work with the district staff to develop a fiscal year budget

Appendix C-2

BY-LAWS OF RICE CREEK WATERSHED DISTRICT

(By-Laws adopted by Rice Creek Watershed District under Chapter 103D.315: Subd. 11.
“Administration By-Laws: *“The managers shall adopt By-laws for the administration of
business and affairs of the watershed district.”*”)

ARTICLE I.

NAME

Section 1. **NAME:** Rice Creek Watershed District

Section 2. **ABBREVIATIONS:** Throughout these By-Laws whenever it is desirable to abbreviate the name of the Rice Creek Watershed District, the initials “RCWD” shall be used.

ARTICLE II.

PURPOSE

Pursuant to MN Statute 103D.201, Watershed Districts’ General **Purpose** is as follows:
“To conserve the natural resources of the state by land use planning, flood control, and other conservation projects by using sound scientific principles for the protection of the public health and welfare and the provident use of the natural resources”.

ARTICLE III

RCWD OFFICE and WATERSHED DISTRICT’S BOUNDARIES

Section 1. **DISTRICT OFFICE:** RCWD office is located at 4325 Pheasant Ridge Drive, Suite 611; Blaine, MN 55449-4539.

Section 2. **BOUNDARIES of RCWD:** RCWD covers an area of 201 square miles. Included in its boundaries are twenty-nine (29) cities or townships, partially or in their entirety.

ARTICLE IV

BOARD OF MANAGERS

Section 1. DISTRIBUTION of MANAGERS and APPOINTMENT THEREOF: Pursuant to MN Statute 103D.301, Distribution of Manager Positions, Subdivision 1: More than one affected county. *“If more than one county is affected by a watershed district, the board must provide that managers are distributed by residence among the counties affected by the watershed district.”* 103D.301 Subd. 3: *“...The county board of commissioners of a county affected by the watershed district...”* appoints the manager.

Section 2. COMPOSITION of RCWD BOARD OF MANAGERS: RCWD is composed of five managers appointed by three of the four counties in the watershed district; Ramsey County, two (2) managers; Anoka County, two (2) managers; and Washington County, one (1) manager. There is no one appointed from the fourth county, Hennepin County due to the fact that it has only a fraction of its land in RCWD.

Section 3. TERMS OF OFFICE: Appointments made by the respective counties’ Board of Commissioners to the RCWD Board of Managers are for three-year terms. Terms of office begin in January of the year they are appointed unless a county delays in the appointment of a manager.

Section 4. BONDING: Before assuming the duties of the Board, each Board member, at District expense, will obtain and file a bond in accordance with Minnesota Statutes §103D.315, subdivision 2. The Board, at District expense, will provide for insurance for its members to provide liability protection on such terms and in such amounts as the Board decides.

Section 5. VACANCIES: Any manager who is unable to fulfill their three-year term of office on RCWD Board of Managers shall notify their respective county commissioner of the fact they will leaving their positions as manager on the RCWD so the county they represent can appoint another manager as soon as possible to complete the departing manager’s term in office.

Section 6. COMPENSATION: MN Statute 103D.315 Subd. 8: *“The compensation of managers for meetings and for performance of other necessary duties may not exceed \$75 a day. Managers are entitled to reimbursement for traveling and other necessary expenses incurred in the performance of official duties.”*

Section 7. SUBMISSION OF MANAGERS EXPENSES: A claim form shall be filled out by each manager and submitted to the RCWD office to be processed and approved in the same manner as other claims.

Section 8. DUTIES of MANAGERS in STATUTE: Chapter 103D.315 “Managers” defines additional duties of the watershed district’s managers.

- (c) Board shall delegate to the administrator authority to make expenditures that are consistent with the approved budget and expenditures that are not a part of the approved budget under \$500.
- (d) Board shall designate the official District depository and official newspapers annually at the first regular meeting in February.

ARTICLE V.

OFFICERS

Section 1. ELECTION of OFFICERS: The following officers shall be elected each calendar year on or before the first regularly scheduled meeting in February: President, First Vice-President, Second Vice-President, Secretary and Treasurer. Terms are for one-year unless re-elected.

Section 2. OFFICER VACANCIES: MS 103D.315 Subd. 3: *“The managers must fill vacancies occurring in the officers’ positions.”*

Section 3. TEMPORARY APPOINTMENTS OF OFFICERS: The Board may appoint a Board member as officer pro tem if an officer is absent or disabled and action by that officer is required.

Section 4. DUTIES of OFFICERS:

- (f) **President:** The President shall preside at all meetings of the Board of Managers. The President shall serve under the supervision and direction of the Board and shall see that all orders and resolutions of the Board are carried into effect. The President shall execute all contracts or instruments requiring an officer’s signature, unless otherwise directed by the Board, and shall have the general powers and duties usually vested in the office of President of the Board and shall have such other powers and perform such other duties as the Board may from time to time prescribe.
- (g) **First Vice-President:** In the absence of the President at a regularly held RCWD meeting, the First Vice-President shall preside at the meeting. The First Vice-President shall exercise and perform the authorities and duties of the President in the event of the latter’s absence, death, disqualification, or incapacity until the RCWD Board of Managers elect a new President. The First Vice-President shall exercise and perform such other authorities and duties as may be prescribed or limited from time to time by the Board of Managers.
- (h) **Second Vice-President:** In the absence of the President and the First Vice-President, the Second Vice-President shall preside at any regularly held RCWD meeting. The Second Vice-President shall exercise and perform such other authorities and duties as may be prescribed or limited from time to time by the Board of Managers.

- (i) Secretary: The Secretary shall cause to be recorded all votes and the minutes of all proceedings of the Board of Managers and of the members in a book to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the Board, and shall perform such other duties as may from time to time be prescribed by the Board or by the President.
- (j) Treasurer: The Treasurer shall have the care and custody of the funds and securities and shall disburse the funds of RCWD as may be ordered from time to time by the Board. The Treasurer shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books belonging to RCWD, and shall deposit all monies, securities and other valuable effects of the RCWD in the name and to the credit of the RCWD in such depositories as may be designated from time to time by the Board. Except to the extent that some other person or persons may be specifically authorized by the Board to do so, the Treasurer shall make, execute, and endorse all checks and other commercial paper on behalf of RCWD when requested by the Board and shall perform such other duties as may be prescribed by the Board.

Section 5. AUTHORIZED SIGNATORIES BY MANAGERS: All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of RCWD shall be signed by two members of the RCWD Board of Managers. Checks may be endorsed through electronic signature.

Section 6. REMOVAL FROM OFFICE: Any officer may be removed at any time, with or without cause, upon the affirmative vote of two-thirds (2/3rd's) of the authorized votes of the Board of Managers.

ARTICLE VI.

MEETINGS OF RCWD BOARD OF MANAGERS

Section 1. REGULAR SET MEETINGS: The managers shall have regular meetings on the second and fourth Wednesday of each month and if such day shall fall on a holiday, an alternative date shall be set and noticed at least one-month prior to the changed meeting date.

Section 2. SPECIAL MEETINGS: Special meetings to conduct the business of the RCWD may be held and shall be legally noticed at any other time that the managers may deem necessary.

Section 3. PUBLIC HEARINGS: Public hearings shall be conducted pursuant to Chapter 429 or any other charter provision requiring a public hearing

Section 4. MEETING CALLED BY MANAGER: 103D.315 Subd. 10, states: “A meeting may be called at any time at the request of any manger. When a manager requests a meeting, the secretary of the watershed district must mail a notice of the meeting to each member at least eight (8) days before the meeting.” The district’s office administrator shall notify the managers as soon as possible of the time and place of the pending meeting.

Section 5. QUORUM and ADJOURNED MEETING: At all meetings of the managers, a majority of the managers appointed shall constitute a quorum to do business but a small number may adjourn from time to time.

Section 6. CHAIR of MEETINGS: The President shall preside as chairperson at all meetings of the managers. In the absence of the President, the First Vice-President shall preside. In the absence of both, the Second Vice-President shall serve as temporary President. The President and temporary President shall have the same privileges.

Section 7. MEETING FORMAT:

- (j) At the hour appointed for a meeting of the RCWD, upon reaching a quorum, the managers shall be called to order by the President or in his/her absence, by the acting President. The managers shall proceed to do business following a set agenda.
- (k) The President shall preserve order. The President may make motions, second motions or speak on any question, provided, however, that in order to do any of these things, upon demand of any manager, shall vacate the chair and designate a temporary President. The President, or acting President, shall be entitled to vote like other members/managers.
- (l) Every manager, prior to his/her speaking, shall address the President and shall not proceed until he/she has been recognized by the Chair.
- (m) If a manager has a personal interest in a matter that comes before the RCWD Board of Managers, the manager shall not vote on said issue.
- (n) No person other than a manager shall address the Board except with the consent of the President or by a vote of the majority of the managers present.
- (o) The President has the authority to set a time limit that a manager or a person addressing the board may speak.
- (p) All committees shall be appointed by the Chair unless expressly ordered by the Board. It shall be the duty of committees to act promptly and faithfully in all matters referred to them and to make reports at a future set time/date established by the board.
- (q) Minutes of all meetings of the RCWD Board of Directors shall be recorded, reviewed by the Board, adopted and kept at the District offices. They shall be signed by the Secretary and shall constitute an official record of the procedure.
- (r) Any member may request that the yeas and nays be recorded on any motion voted on by the Board and such request will be granted by the President.

Section 8. CONFLICTS OF INTEREST: When a question is put by the Chair, every member present shall vote, unless for special reasons the Board member elects to abstain. If a member has a personal interest in the matter, he or she shall state that such an interest exists and shall neither deliberate nor vote on the matter. "Personal interest" means a material financial interest of the member, a family member or a close associate. The member's action will be noted in the minutes. The "yeas" and "nays" shall be called on the request of the Chair or by any member, in which case the names of the members voting will be recorded in the minutes.

Section 9. APPEAL OF A CHAIR RULING: A member may appeal to the Board from a ruling of the Chair. If the appeal is seconded, the member may speak once solely on the question involved and the Chair may explain his or her ruling, but no other Board member will participate in the discussion. The appeal will be sustained if it is approved by a majority of the members present exclusive of the Chair.

ARTICLE VII.

PARLIMENTARY AUTHORITY

Section 1. PARLIMENTARY AUTHORITY: Robert's Rules of Order Newly Revised (Tenth Edition) shall govern RCWD's meetings in all cases to which they are applicable and in which they are not inconsistent with these By-Laws and/or any special rules of order RCWD may adopt.

Section 2. SUSPENSION: Robert's Rules of Order may be temporarily be suspended by consent of the majority of the managers.

ARTICLE VIII.

RCWD ADVISORY COMMITTEE

Section 1. ADVISORY COMMITTEE REQUIRED: Pursuant to 103D.331 Subd. 1. *"The managers must annually appoint an advisory committee to advise and assist the managers on all matters affecting the interests of the watershed district and make recommendations to the managers on all contemplated projects and improvements in the watershed district."*

Section 2. MEMBERS OF ADVISORY COMMITTEE: 103D.331 Subd. 2 Members:

(a) *"The advisory committee consists of at least five members. If practicable, the advisory committee members selected should include a representative from each soil and water conservation district, a representative of each county, a member of a sporting organization, and a member of a farm organization. Other advisory committee members may be appointed at the discretion of the managers. The members must be residents of the watershed district, except representatives from soil and water conservation districts and counties, and serve at the pleasure of the managers."*

(b) *"In addition, the managers may appoint other interested and technical persons who may or may not reside within the watershed district to serve at the pleasure of the managers."*

ARTICLE IX.**TECHNICAL ADVISORY COMMITTEE**

TECHNICAL ADVISORY COMMITTEE: MS103D.337: *“For a district wholly within the metropolitan area, the Board of Managers shall establish a technical advisory committee consisting of representatives of affected statutory and home rule charter cities, counties, and soil and water conservation districts.”*

ARTICLE X.**ANNUAL REPORT**

Section 1. ANNUAL REPORT: MS 103D.351: *“(a) The managers must prepare a yearly report of the financial conditions of the watershed district, the status of all projects, the business transacted by the watershed district, other matters affecting the interests of the watershed district, and a discussion of the managers plans for the succeeding year.”*

Section 2. COPIES DISTRIBUTED: MS 103D.351: *“(b) Copies of the report must be transmitted to the Board of Water and Soil Resources, the commissioner, and the director within a reasonable time.”*

ARTICLE XI.**ANNUAL AUDIT**

ANNUAL AUDIT: MS 103D.355, Subd 1. Requirement: *“The managers must have an annual audit completed of the books and accounts of the watershed district. The annual audit may be made by a public accountant or by the state auditor. The annual audit must be made by a certified public accountant or the state auditor at least once every five years, or when cumulative district revenues or expenditures exceed an amount established by the board in consultation with the state auditor.”*

ARTICLE X.**WATERSHED MANAGEMENT PLAN**

WATERSHED MANAGEMENT PLAN. MS 103D.401, Subd. 1. Contents:

- (c) *“The managers must adopt a watershed management plan for any and all of the purposes for which a watershed district may be established. The watershed management plan must give a narrative description of existing water and water-related problems within the watershed district, possible solutions to the problems, and the general objectives of the watershed district. The watershed management plan must also conform closely with watershed management plan guidelines as adopted and amended from time to time by the Board of Water and Soil Resources.”*

- (d) *“The watershed management plan may include a separate section on proposed projects. If the watershed district is within the metropolitan area, the separate section of proposed projects or petitions for projects to be undertaken according to the watershed management plan is a comprehensive plan of the watershed district for purposes of review by the Metropolitan Council under section 473.165.”*

ARTICLE XI.

AMENDMENT TO BY-LAWS

Section 1. RCWD BY-LAWS MAY BE AMENDED, repealed, or adopted by a majority of the RCWD Board of Managers upon thirty (30) days written notice of the proposed change in its entirety during a meeting of the RCWD Board of Managers unless said notice is waived by all of the managers. Notice of such alteration or amendment is to be contained in the notice of such meeting. The alteration/s or amendment/d must pass by a 4/5th's vote of the RCWD Board of Managers.

Section 2. INTERPRETATION of the By-Laws and any amendment or additions thereto shall rest with the RCWD Board of Managers.

Section 3. TEMPORARY SUSPENSION OF BYLAWS: These rules may be temporarily suspended by consent of a majority of the managers.

ARTICLE XII.

REVIEW OF BY-LAWS

THESE BY-LAWS shall be reviewed at least very five years and revised if needed. These bylaws govern internal RCWD matters and do not create rights in any third parties.

August 11, 2004 meeting.

Motion by Manager Haake, seconded by Manager Aiken, to approve the draft to become the official Bylaws of the Rice Creek Watershed District. Motion carried 5-0.

RESOLUTION NO. 04-08**RICE CREEK WATERSHED DISTRICT
BOARD OF MANAGERS
RESOLUTION ADOPTING
RICE CREEK WATERSHED DISTRICT EVENT POLICY**

Manager Haake offered the following Resolution and moved its adoption, seconded by Manager Aiken:

WHEREAS: The RCWD is comprised of three "parts": a Board of (five) Managers, and under law, an Advisory Committee, and employed Staff members; and

WHEREAS: The Board of Managers is paid on a per diem basis; the Advisory Committee is comprised of unpaid volunteers; and the Staff is paid an annual salary; and

WHEREAS: The RCWD recognizes the need to show its appreciation to its Managers, its Advisory Committee and its Staff; and

WHEREAS: During the year, there may be resignations from one of the three "parts" of the RCWD; and

WHEREAS: The RCWD wishes to recognize the contributions of its Managers, Advisory Committee and its Staff for their yearly work for the RCWD;

THEREFORE BE IT RESOLVED: That the RCWD holds an Annual Appreciation Dinner/Event paid for by RCWD for the above three "parts" of the RCWD along with the individual's guest; that RCWD's consultants or any other participant who wishes to attend shall pay a fair "dinner/event" cost. RCWD Managers and Staff shall not charge RCWD per diem nor "overtime" pay for the event. This Dinner/Event shall honor departures of Managers/Staff/Advisory Committee members; various accomplishments of the District/individuals and express appreciation to members for their time and dedication to Watershed work that took place during the year preceding the annual Dinner/Event.

The question was on the adoption of the Resolution and there were 5 yeas, 0 nays and 0 abstentions as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>
CARDINAL	X		
AIKEN	X		
HAAKE	X		
KARTH	X		
LEROUX	X		

Upon vote, the Chair declared the Resolution passed.

Dated: August 11, 2004

Roger Aiken, Secretary

I, Roger Aiken, Secretary of the Rice Creek Watershed District, do hereby certify that have compared the above resolution with the original thereof as the same appears of record and on file with the District and find the same to be a true and correct transcript thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 11 day of August, 2004.

Roger Aiken, Secretary

Appendix C-3

REGULAR BOARD MEETING AGENDA

- 6:00 I. Call to Order of Regular Meeting**
A) Attendance
B) Review, Amendments and Approval of the Agenda
- 6:03 II. Secretary's Report**
A) Minutes of the previous Regular Meeting
- 6:05 III. Public Comment – For Items not on the Agenda**
(It is advisable to set a time limit.)
- 6:10 IV. Special Reports**
- 6:30 V. Action Items**
A) Approval of monthly bills
B)
- 7:15 VI. Unfinished Business**
A)
B)
- 7:50 VII. General Information**
A) Update
- 7:55 VIII. Upcoming Meeting Agenda Review**
- 8:00 IX. Adjournment**

Appendix C-4

Regular Meeting Minutes

The following is an example of meeting minutes:

Regular Meeting Minutes

I. Call to Order at 6:05 p.m. (President)

A) *Managers Attending* *Others Present*

B) **Review, Amendments and Approval of the Agenda**

Motion 05-01-01: To approve the January 5, 2005 Board agenda.

Motion First/Second:

Action taken:

II. Secretary's Report

A) Minutes of the December 16, 2004, Regular Meeting.

Manager requested approval of the December 16, 2004 regular Meeting Minutes.

Motion 05-01-02 – *To approve the December 16, 2004 regular Meeting Minutes.*

Motion First/Second:

Action taken:

III. Special Reports

Watershed District Rulemaking Workplan (Consultant)

Motion 05-01-03: *To adopt Resolution 2005-01-03, Watershed District Rules Rulemaking Process and Workplan and to amend the timeline from 90 days to 60 days under Step 1.7 of the Rulemaking Timeline.*

Motion First/Second:

Action taken:

IV. Public Comment – For items not on the Agenda.

There were no public comments made.

V. Action Items**A) Approve Booster Club Stewardship Grant (Staff)**

Motion 05-01-04: *To approve the Booster Club Stewardship Grant project with funding not to exceed \$2,000 subject to a Cooperative Agreement being signed, an Operation and Maintenance Plan submittal, and the project being completed by December 31, 2005.*

Motion First/Second:

Action taken:

B) Approve Contract Amendment for 2003 Annual Report (Administrator)

Motion 05-01-05: *To approve a contract amendment for \$1,001.17 for a total contract of \$4,001.17 for the development of the 2003 Annual Report to Blue Communications.*

Motion First/Second:

Action taken:

VI. Unfinished Business**A) Interceptor Update (Administrator)****B) Project Schedule (Administrator)****VII. General Information****A) Conservation District Update**

There was no report given.

B) Upcoming MAWD Meeting**VIII. January 19, 2004 Meeting Agenda Review****IX. Adjournment** – 8:15 p.m. adjourned by consensus.

Respectfully submitted,

Officer/Staff

Appendix C-5

Robert's Rules of Order - Summary Version

For Fair and Orderly Meetings & Conventions

The conduct of ALL business is controlled by the general will of the whole membership - the right of the deliberate majority to decide. Complementary is the right of at least a strong minority to require the majority to be deliberate - to act according to its considered judgment AFTER a full and fair "working through" of the issues involved. Robert's Rules provides for constructive and democratic meetings, to help, not hinder, the business of the assembly. Under no circumstances should "undue strictness" be allowed to intimidate members or limit full participation.

The fundamental right of deliberative assemblies requires all questions to be thoroughly discussed before taking action!

The assembly rules - they have the final say on everything!
Silence means consent!

- Obtain the floor (the right to speak) by being the first to stand when the person speaking has finished; state Mr./Madam Chairman. Raising your hand means nothing, and standing while another has the floor is out of order! Must be recognized by the Chair before speaking!
- Debate cannot begin until the Chair has stated the motion or resolution and asked "are you ready for the question?" If no one rises, the chair calls for the vote!
- Before the motion is stated by the Chair (the question) members may suggest modification of the motion; the mover can modify as he pleases, or even withdraw the motion without consent of the seconder; if mover modifies, the seconder can withdraw the second.
- The "immediately pending question" is the last question stated by the Chair!
Motion/Resolution - Amendment - Motion to Postpone
- The member moving the "immediately pending question" is entitled to preference to the floor!
- No member can speak twice to the same issue until everyone else wishing to speak has spoken to it once!
- All remarks must be directed to the Chair. Remarks must be courteous in language and deportment - avoid all personalities, never allude to others by name or to motives!
- The agenda and all committee reports are merely recommendations! When presented to the assembly and the question is stated, debate begins and changes occur!

The Rules

- **Point of Privilege:** Pertains to noise, personal comfort, etc. - may interrupt only if necessary!
- **Parliamentary Inquiry:** Inquire as to the correct motion - to accomplish a desired result, or raise a point of order
- **Point of Information:** Generally applies to information desired from the speaker: "I should like to ask the (speaker) a question."
- **Orders of the Day (Agenda):** A call to adhere to the agenda (a deviation from the agenda requires Suspending the Rules)
- **Point of Order:** Infraction of the rules, or improper decorum in speaking. Must be raised immediately after the error is made
- **Main Motion:** Brings new business (the next item on the agenda) before the assembly
- **Divide the Question:** Divides a motion into two or more separate motions (must be able to stand on their own)
- **Consider by Paragraph:** Adoption of paper is held until all paragraphs are debated and amended and entire paper is satisfactory; after all paragraphs are considered, the entire paper is then open to amendment, and paragraphs may be further amended. Any Preamble cannot be considered until debate on the body of the paper has ceased.
- **Amend:** Inserting or striking out words or paragraphs, or substituting whole paragraphs or resolutions
- **Withdraw/Modify Motion:** Applies only after question is stated; mover can accept an amendment without obtaining the floor
- **Commit /Refer/Recommit to Committee:** State the committee to receive the question or resolution; if no committee exists include size of committee desired and method of selecting the members (election or appointment).
- **Extend Debate:** Applies only to the immediately pending question; extends until a certain time or for a certain period of time
- **Limit Debate:** Closing debate at a certain time, or limiting to a certain period of time
- **Postpone to a Certain Time:** State the time the motion or agenda item will be resumed
- **Object to Consideration:** Objection must be stated before discussion or another motion is stated
- **Lay on the Table:** Temporarily suspends further consideration/action on pending question; may be made after motion to close debate has carried or is pending
- **Take from the Table:** Resumes consideration of item previously "laid on the table" - state the motion to take from the table
- **Reconsider:** Can be made only by one on the prevailing side who has changed position or view
- **Postpone Indefinitely:** Kills the question/resolution for this session - exception: the motion to reconsider can be made this session
- **Previous Question:** Closes debate if successful - may be moved to "Close Debate" if preferred

- **Informal Consideration:** Move that the assembly go into "**Committee of the Whole**" - informal debate as if in committee; this committee may limit number or length of speeches or close debate by other means by a 2/3 vote. All votes, however, are formal.
- **Appeal Decision of the Chair:** Appeal for the assembly to decide - must be made before other business is resumed; NOT debatable if relates to decorum, violation of rules or order of business
- **Suspend the Rules:** Allows a violation of the assembly's own rules (except Constitution); the object of the suspension must be specified

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Appendix C-6

Watershed District Noticing Requirements

MEMORANDUM

Noticing Requirements for Watershed District Meetings and Projects

September 28, 2011

Compliments of Smith Partners, PLLP

This guidance reviews noticing and procedural requirements associated with projects and activities regularly undertaken by watershed district organizations within the metropolitan area. With the exception of proceedings conducted under the Metropolitan Surface Water Management Act (Minnesota Statutes §§103B.201 to 103B.252; Minnesota Rules chapter 8410), the guidance is applicable to watershed districts statewide. However, because this guidance was created for the benefit of metropolitan area districts, project procedures in chapter 103D on which outstate districts often rely will not be found here.

The guidance is presented in a bullet-point format to organize the information in a manner useful for reference by watershed district managers, staff and consultants.

The guidance is provided by the Minnesota Association of Watershed to member watershed districts as a general reference resource. It should not be considered legal advice. Watershed districts should consult with their own legal counsel to ensure their proceedings are being conducted properly under the circumstances presented.

GENERAL NOTICE CONSIDERATIONS

A few general points as you review the specific requirements described below:

- None of the proceedings requires a special meeting. Any required hearing or meeting can simply be an agenda item at a regular board meeting.
- A watershed district generally designates its official legal newspaper(s) for publication purposes during the board's annual business meeting.
- In any given case, watershed districts always may undertake more extensive procedures than the law requires.
- When a number of days is specified for providing notice or opportunity for comment, the reference is to calendar and not business days.
- When published notice in "successive weeks" is required, the reference is to a calendar week and at least five calendar days must elapse between publications.

MEETINGS

Minn. Stat. chapter 13D

- Notice requirements for regular watershed district board of managers meetings are met by keeping on file a regular schedule of meetings of the board of managers.
- Special meetings (which includes board meetings to be held at a different time or place than what is on the regular schedule): All managers must be notified of a special meeting. Notice must be posted three days in advance on the watershed district's bulletin board or the door of its usual meeting room. Notice must include:
 - date,
 - time,
 - place, and
 - the purpose of the meeting.
- Also, notice must be mailed or delivered at least three days before a special meeting to each person who has filed a written request for notice of special meetings generally or regarding the subject of the meeting.
- For special meeting notice, the day notice is issued does not count as one of the three days; the day of the meeting does. So notice for a Thursday special meeting must be posted and mailed on Monday or earlier; for a Monday special meeting, notice must be posted and mailed on Friday or earlier.
- Alternative notice for special meetings: notice can be published once at least three days before the meeting, in the official newspaper of the public body. If there is no official newspaper, a newspaper of general circulation within the watershed district is adequate.
- Emergency meetings: Managers must be notified by telephone or other method usually used to notify them of meetings. Good faith efforts, undertaken as soon as reasonably practicable, must be made to notify news organizations that have filed written requests for notice.
- Continued meetings: New notice for a continued meeting is not necessary, as long as the time and place of the continued meeting is stated and noted on the record of the initial meeting (i.e., in the minutes).
- ❖ **NOTE:** If a person receives actual notice of a meeting at least 24 hours before the meeting, all notice requirements are satisfied with respect to that person, even if notice has been defective.

BUDGET AND LEVY

Minn. Stat. §§103D.911, 103D.915

- The public hearing on proposed budget should be noticed by publication in the watershed district's official newspaper. Notice, with summary of budget, published in two successive weeks, the latter at least 2 days before the hearing.
- Watershed district adopts budget and certifies county share of levy to auditor of each county by September 15.

PLANNING AND PROJECTS

Watershed Plans and Major Amendments⁵

Minn. Stat. §103B.231, subd. 7-11; Minn. R. 8410.0140

- Draft plan sent for **60-day** review to:
 - Counties, soil and water conservation districts, towns, cities in the watershed,
 - Metropolitan Council,
 - Minnesota Pollution Control Agency,
 - Minnesota Department of Natural Resources,
 - Minnesota Department of Agriculture,
 - Minnesota Department of Health,
 - Minnesota Board of Water and Soil Resources.
- The watershed district must respond in writing to comments received at least 10 days before the public hearing on the plan revision/amendment.
- Public hearing is required no sooner than 14 days after close of 60-day comment period. (Hearing may be noticed as an ordinary agenda item.)
- The watershed district must submit the draft plan, any amendments, written comments received, record of public hearing and summary of changes made in review process to the following state agencies for final review:
 - Minnesota Board of Water and Soil Resources
 - Metropolitan Council
 - Minnesota Pollution Control Agency,
 - Minnesota Department of Natural Resources,
 - Minnesota Department of Agriculture,
 - Minnesota Department of Health,
 - Minnesota Board of Water and Soil Resources.

Within **90 days** of its receipt of the final draft, BWSR must review for conformance with watershed statutes and approve or disapprove the revision/amendment.

- The watershed district must adopt and implement plan within 120 days after BWSR completes its review.

Minor Plan Amendments

Minn. Rules 8410.0140

- Copy of amendment must be sent to:
 - Counties, soil and water conservation districts, towns, cities,
 - Metropolitan Council
 - Minnesota Pollution Control Agency,
 - Minnesota Department of Natural Resources,
 - Minnesota Department of Agriculture,
 - Minnesota Department of Health,
 - Minnesota Board of Water and Soil Resources.

⁵ Both major and minor plan amendments must comply with procedural/notice provisions in the watershed district's watershed plan. The plan should be consulted for any additional requirements.

- The watershed district must hold public meeting on proposed amendment(s). Notice of the public meeting must be published twice, at least 14 days and at least 7 days before the meeting.
- If within 45 days of receipt BWSR declares the amendment to be major, it must be treated as such and the more extensive process followed.

Capital Projects funded by watershed *ad valorem* tax

Minn. Stat. §103B.251

- Project plan(s) must be sent to county boards.
- Notice of public hearing by publication for two successive weeks, the second publication not more than 30 days or less than 10 days before the hearing, in a legal newspaper in each county. Notice must state:
 - time and place of hearing
 - general nature of proposed improvement
 - estimated cost
 - method by which cost of improvement is to be paid, including cost to be allocated to each county or minor watershed
- At least **10 days** before hearing, notice by mail to watershed district counties, cities and towns.

RULEMAKING

Minn. Stat. §103D.341

- Send proposed rules to the Board of Water and Soil Resources and all “public transportation authorities” in the watershed (the term is not defined, but should include the Minnesota Department of Transportation and city, township and county road departments). BWSR and the transportation authorities have 45 days to comment in writing.
- Publish notice of public hearing in at least one legal newspaper in each affected county and generally circulated in the watershed; notice is to be published once a week for two successive weeks before the hearing.

Adopted rules

- Publish notice of adopted rules, once a week for two successive weeks, in legal newspaper in each affected county and generally circulated in the watershed. There is no time constraint associated with this requirement.
- File adopted rules with the recorder in each affected county.
- Mail adopted rules to the governing body of each municipality in the watershed.
- Send written notice of adopted rules or amendments to public transportation authorities in the watershed.

DRAINAGE PROCEEDINGS

The following are **general notice provisions** for all drainage projects conducted under chapter 103E:

- **Notice by mail:** Mail to all persons entitled to receive notice whose address is known or can be determined. Minn. Stat. §103E.005.
- **Notice by publication:** Notice published at least once a week for three successive weeks in official newspaper(s) for each county affected. Minn. Stat. §103E.005.
- **Personal service:** For any ditch proceeding, notice may be accomplished by personal legal service at least 10 days before a hearing. Minn. Stat. §103E.041. (Consult counsel for details on how to accomplish personal service.)
- **Defective notice:** If notice procedures in a ditch proceeding are not strictly followed, the watershed district may delay the proceeding to allow notice to be corrected. Minn. Stat. §103E.035.
- **“Affected person”:** An individual or other private entity benefited or damaged by a drainage system or project. Minn. Stat. §103E.005.

REPAIR BY PETITION

Minn. Stat. §103E.715

- Once a repair petition is filed with the watershed district, it must be presented to the board of managers at its next regular meeting.
- If the board determines repair is needed, it appoints an engineer to examine drainage system and prepare repair report detailing the required repair and estimated cost.
 - Before appointing engineer, watershed district at its discretion may give notice and order a hearing on the petition. (No specifics for notice are given.)
- When engineer’s report has been filed with the watershed district, public hearing held on the petition and engineer’s report.
- Hearing within 30 days of order for hearing. Notice must be given by mail at least 10 days before the hearing to petitioners and to owners of property and political subdivisions “likely to be affected by the repair.”
- ❖ **Note:** additional procedural requirements to determine landowner damages if a repair involves resloping ditches, leveling waste banks, installing permanent erosion control and/or removing trees. Minn. Stat. §103E.715, subd. 6.
- ❖ **Note:** The watershed district must notify DNR commissioner before ordering repair that may affect public waters. On receipt of commissioner recommendation,⁶ watershed district may accept recommendation and proceed with repair.

⁶ Recommendation developed by commissioner’s representative, watershed district appointed engineer and conservation district staff. Minn. Stat. §103E.701, subd. 2.

NONPETITIONED REPAIR

Minn. Stat. §103E.705

The watershed district may order isolated repair on a system up to the greater of \$50,000 or \$1,000 per mile of open ditch annually without public hearing or notice.⁷

UNASSESSED LANDS

Minn. Stat. §103E.741

Notice by mail to property owner(s) at least **10 days** before repair report hearing, indicating time and place of the hearing. If after hearing watershed district determines that property has benefited, watershed district appoints viewers to determine benefits.

- The watershed district “promptly” gives notice of hearing on the report to auditors of the affected counties and “all interested persons” by publication, posting and mail.
Notice must state:
 - repair petition is pending;
 - detailed survey report has been filed;
 - viewers’ report has been filed;
 - time and place of the hearing (**25 to 50 days** after the notice date);
 - brief description of the project and affected system;
 - description of benefited and damaged property, along with names of owners;
and
 - municipal and other corporations affected.
- Printed copy of the hearing notice for each affected county must be posted at least **three weeks** before the date of the hearing at the front door of the courthouse in each affected county.
- Notice of the time and location of the hearing must be sent by mail **within one week after the first publication** of the notice to the commissioner of the DNR, all property owners, and others affected by the proposed project and listed in the detailed survey report and viewers’ report.

Thereafter, all newly assessed properties must receive notice of proceedings.

REPLACEMENT OF BRIDGES AND CULVERTS

Minn. Stat. §103E.721

If during a repair proceeding the engineer finds that an existing bridge or culvert is of insufficient hydraulic capacity, the engineer must include in the report a hydraulic capacity report with plans and specifications for the new bridge or culvert, along with estimated cost. In such a situation:

⁷ The spending limits do not apply to a repair necessitated by a natural disaster. Minn. Stat. §103E.705, subd. 7.

- The repair hearing notice specifically must state that a new bridge or culvert will be considered at the hearing.
- Notice may be given in conjunction with notice of the repair report, and hearings may be conducted together or separately.

IMPOUNDMENT AND DIVERSION

Minn. Stat. §103E.227

After receiving impoundment/diversion petition, bond and DNR permit:

- Watershed district board appoints engineer to investigate effect of proposed impoundment or diversion and prepare report.
- After report is filed, watershed district sets hearing for **not more than 30 days** thereafter.
- At least **10 days** before hearing, watershed district gives notice by mail of hearing time and location to:
 - petitioners
 - property owners
 - political subdivisions
 likely to be affected.

REQUEST FOR OUTLET

Minn. Stat. §103E.401

When a watershed district receives a petition to outlet into a drainage system under its authority, the district must:

- Set a time and place for hearing on the petition;
- Provide notice of the hearing by mail and publication.

OBSTRUCTION OF DRAINAGE SYSTEM

Minn. Stat. §103E.075

On preliminary determination that obstruction exists, watershed district must notify party responsible for the obstruction “as soon as possible” and direct it to remove obstruction or show why obstruction should not be removed.

- Notice must communicate time and place for responsible party to appear before the board;
- Private property owner responsible for obstruction must be notified at least 10 days before hearing;
- No specific requirement applicable to public entity, but 10 days’ notice should be given where possible.

PARTIAL ABANDONMENT

Minn. Stat. §103E.805

Once petition is filed with watershed district secretary, watershed district must set a time and place for a hearing on the petition.

- The watershed district must give notice of the hearing by publication to all persons “interested in the drainage system”⁸ by publication once a week for three successive weeks in a legal newspaper in general circulation in each county affected.
 - Note: Beyond the applicable legal requirements, the watershed district may wish to give mailed notice of the hearing to all benefited landowners who may be interested in the partial abandonment.

FULL ABANDONMENT

Minn. Stat. §103E.811

Once petition received by watershed district (or district court if watershed district is the petitioner), watershed district (or court administrator) sets a time and location for hearing on petition.

- The watershed district (or court administrator) publishes notice of hearing to all persons interested in the drainage system once a week for three successive weeks in official newspaper in each county affected.

TRANSFER OF DITCH SYSTEM (FULL OR PARTIAL) TO LOCAL GOVERNMENT UNIT

Minn. Stat. §103E.812

Transfer petition must include engineering report prepared by “water management authority” that would accept the drainage system or part thereof.⁹ Once petition is received, watershed district:

- Sets time and place for hearing on petition; and
- Provides mailed notice to “all persons interested” and publishes the time and location of the transfer hearing once a week for three successive weeks in a legal newspaper in general circulation in each county affected. Notice must state a property owner’s right to object under Minn. Stat. §103E.812, subd. 5.

⁸ The watershed district typically uses the engineer’s hydrologic assessment to determine which benefited land owners may be “interested,” but notice should err toward inclusion.

⁹ The water management authority (WMA) is a governmental subdivision qualified to take ownership of a ditch system (typically to integrate into its stormwater management system); ordinarily a watershed district would not be the WMA.

APPENDIX D

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Appendix D-1

Maintenance Program Budget				
Obj Code		2003 Budget	2004 Budget	2005 Budget
	Property Taxes			142,964
	Special Assessments			71,260
	Fees and Charges			0
	Other Revenue & Fund Balances			<u>24,821</u>
				239,045
10	Salaries and Wages	0	5,474	8,675
20	Employee Benefits	0	989	2,026
30	Professional Services	28,050	6,595	4,751
40	Travel	0	0	0
50	Training	0	0	0
60	Operating Expenses	0	25,336	148,446
80	Capital Equipment	0	0	0
90	Debt Service	<u>0</u>	<u>79,890</u>	<u>71,260</u>
	TOTAL	<u>28,050</u>	<u>118,284</u>	<u>239,045</u>

Appendix D-2

Draft - Standard Watershed Chart of Accounts

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<u>ASSETS</u>				
***	1000	00	Cash	Currency, coin, checks money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian. Includes checking account.
***	1050	00	Petty Cash	A sum of money set aside on an imprest basis to make change or pay small obligations for which the issuance of a formal voucher and check would be too expensive and time consuming.
***	1100	00	Investments	Most commonly, securities and real estate held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in government operations.
***	1200	00	Accounts Receivable	Amounts owed on open accounts for goods and services furnished by the District (excluding taxes and special assessments).
***	1300	00	Due from Other Governments	Amounts owed from other governmental entities.
***	1330	00	Due from Other Governments - Tax Increment Financing	Amounts owed from other governmental entities related to tax increment financing amounts receivable.
***	1400	00	Taxes Receivable	The uncollected portion of taxes that a government has levied which are due within one year.
***	1450	00	Taxes Receivable - Delinquent	Taxes remaining unpaid on and after the date on which a penalty for nonpayment attaches.
***	1470	00	Special Assessments Receivable	The uncollected portion of special assessments that a government has levied.
***	1600	00	Land/Easements	Land/easements purchased or acquired by the District.
***	1605	00	Buildings and Improvements	Permanent structures purchased or other work acquired by the government and improvements thereon. This account includes costs incurred in the acquisition of buildings.
***	1610	00	Equipment	Tangible property purchased for use in the office or field. Includes machinery, computers, furnishings, tools, etc.

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<u>ASSETS (continued)</u>				
***	1620	00	Vehicles	Automobiles and trucks purchased for use by the District.
***	1630	00	Construction in Progress	The cost of construction undertaken but not yet completed.
***	1640	00	Wetland Infrastructure	Infrastructure for wetlands such as drainage ditches, culverts, fences, retaining walls, etc.
***	1690	00	Accumulated Depreciation	Current governmental accounting standards do not require a district to record infrastructure assets or depreciation, however, GASB 34, which is required to be implemented by 2004, will require depreciation and recording of infrastructure assets. The accumulation of systematic and rational allocations of the estimated cost of using assets over the useful lives. A district may choose to offset each fixed asset category (equipment, vehicles, infrastructure) with an accumulated depreciation account.
<u>LIABILITIES</u>				
***	2100	00	Accounts Payable	Amounts owed for goods and services received by a government.
***	2150	00	Accrued Expenses	Expenses related to the current period/year but not paid until a later date.
***	2160	00	Contracts Payable	Amounts due on goods or services furnished to a government.
***	2170	00	Retainage Payable	Amounts due on construction contracts. Such amounts represent a percentage of the total contract price that is not paid pending final inspection, the lapse of a specified time period, or both.
***	2200	00	Salaries Payable	Amounts owed employees for wages earned but not paid until a later date.
***	2210	00	Federal W/H Payable	Amounts withheld from employees wages due to IRS.
***	2220	00	FICA/Medicare Payable	Amounts withheld from employees wages as well as the employer match due to IRS.
***	2230	00	State W/H Payable	Amounts withheld from employees wages due to the state.
***	2240	00	PERA Payable	Amounts withheld from employees wages, along with the employers expense, due to PERA.

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<i>LIABILITIES (continued)</i>				
***	2250	00	Deferred Comp	Amounts withheld from employees wages, pre-tax, due to a benefits administrator for a retirement fund.
***	2260	00	Section 125 W/H	Amounts withheld from employees wages for a pre-tax cafeteria/flex spending account.
***	2300	00	Due to Other Governments	Amounts owed to other governmental entities.
***	2310	00	Interfund Payable	Amounts that are owed, other than charges for goods and services rendered, by a particular fund to another fund within the reporting entity and that are due within one year.
***	2320	00	Customer Deposits	Liability for deposits made by customers as a prerequisite to receiving the goods or services the government provides.
***	2330	00	Developer Escrow, Permits and Sureties	Liability for developer deposits and escrows made by developers as a prerequisite to receiving the goods or services or receiving approval from the government.
***	2400	00	Deferred Revenue	Amounts for which asset recognition criteria have been met but revenue criteria has not yet been met.
***	2600	00	Bonds Payable	The face value of general obligation bonds payable. Current governmental accounting standards require these to be accounted for in the General Long-Term Debt Account Group.
***	2630	00	Short-Term Note	Face value of notes payable due within one year. Current governmental accounting standards require these to be accounted for in the General Long-Term Debt Account Group.
***	2640	00	Long-Term Note	Face value of notes not due within one year. Current governmental accounting standards require these to be accounted for in the General Long-Term Debt Account Group.
***	2660	00	Capital Leases Payable	The discounted present value of total future stipulated payments on lease agreements that are capitalized. Current governmental accounting standards require these to be accounted for in the General Long-Term Debt Account Group.
***	2680	00	Compensated Absences Payable	Amounts owed to employees for unpaid vacation and sick leave. Current governmental accounting standards require these to be accounted for in the General Long-Term Debt Account Group.

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<u>FUND BALANCE</u>				
***	2900	00	Fund Balance - Unreserved	The excess of the assets of a governmental fund over its liabilities and reserved fund balance account.
***	2910	00	Fund Balance - Unreserved - Designated	Segregation of a portion of fund balance to indicate tentative plans for future financial resource use. Examples may include designations for cash flow, contingencies, future projects, compensated absences, special projects, etc. The District may wish to set up a separate account number for each specific designation.
***	2911	00	<i>Cash Flow</i>	
***	2912	00	<i>Contingency/Emergency Funds</i>	
***	2914	00	<i>Special Projects</i>	
***	2916	00	<i>Plan Revision</i>	
***	2918	00	<i>Local Watershed Plan Review</i>	
***	2950	00	Fund Balance - Unreserved - Undesignated	Portion of fund balance representing expendable available financial resources.
***	2960	00	Fund Balance - Reserved	Segregation of a fund balance legally restricted for a specific purpose, such as bonds or intergovernmental grant monies that are required to be spent on bond or grant specific expenditures.
<u>REVENUES</u>				
***	3100	00	General Property Tax Revenue	Ad valorem taxes levied on an assessed valuation of real and/or personal property.
***	3200	00	HACA	Minnesota state aid, Homestead Agricultural Credit Aid.
***	3300	00	Intergovernmental Revenues	Revenues from other governments in the form of operating grants, entitlements, shared revenues or payment in lieu of taxes.
***	3400	00	Permitting Revenue	Revenue from the purchase of a permit in order to complete a task within the governmental jurisdiction
***	3500	00	Special Assessments Petition Project	Amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.
***	3600	00	Refunds and Reimbursements	Revenues from miscellaneous nominal accounts or reimbursement from specific projects. May include minor miscellaneous items not necessary to set up a specific account for.
***	3700	00	Investment Income (Interest Income)	Revenues which are compensation for the use of financial resources over a period of time. Includes interest income from investments, savings accounts, cash instrument, money market accounts, certificates of deposits, etc.

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
***	3800	00	Miscellaneous Income	Revenue which is infrequent and does not fall into the usual revenue sources above.
***	3900	00	Operating Transfers In	Financial inflows from other funds of the government reporting entity.
<u>EXPENDITURES</u>				
<u>PERSONNEL</u>				
***	4000	00	Manager Compensation	Compensation for attending regular and special meetings of the Board and for certain other meetings with prior Board approval.
***	4010	00	Manager Expenses	Reimbursements to managers for out of pocket expenses paid by them personally which relate to their official duties.
***	4100	00	Salaries - Permanent	Amounts paid to permanent employees for their services.
***	4110	00	Benefits	Amounts paid on behalf of the employee not included in their wages. These include insurance, retirement contributions and other fringe benefits.
***	4120	00	PERA Expense	Currently 5.18% of employees gross wages paid into PERA by the employer (could be included in benefits above or separately stated).
***	4130	00	Payroll Taxes	Employers expense, social security and medicare, required to be paid into the IRS.
<u>EXPENDITURES</u>				
<u>OPERATING</u>				
***	4200	00	Office Supplies/Expenditures	Office costs for district operations, including supplies and reimbursements.
***	4210	00	Rent	Cost for renting or leasing land, buildings, equipment or vehicles.
***	4220	00	Secretarial Casual Labor	Payment to a non-employee for services in the capacity of an employee. Includes recording secretaries and temporary workers.
***	4230	00	Permit Inspection & Enforcement	Payment to a non-employee for Permit and Inspection services in the capacity of an employee.
***	4240	00	Telecommunications	Expenditures for phone, cellular phones and internet connections.
***	4250	00	Dues and Publications	Expenditures for membership dues or purchase of reference materials to benefit the watershed.
***	4260	00	Miscellaneous	All other infrequent expenditures which are not already

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
				categorized.
***	4265	00	Training and Education	Training, education and seminar expenses for the District staff.
***	4270	00	Insurance & Bond	Expenditures for all other types of insurance, other than health coverage, including property, liability and fidelity.
<u>EXPENDITURES</u>				
<u>OPERATING (continued)</u>				
***	4280	00	Postage	Expenditures for cost of mailing or shipping.
***	4290	00	Legal Notices	Expenditures for cost of posting/printing required legal notices.
***	4300	00	Utilities	Expenditures for gas, water, sewer, and electricity.
***	4320	00	Staff Expenses	Includes reimbursement for out of pocket expenses incurred by staff as well as mileage
***	4330	00	Accounting/Professional Fees/Audit	Fees for accounting or professional services, including annual audit fees.
***	4340	00	Employee Procurement	Costs incurred related to finding and hiring new employees.
<u>EXPENDITURES</u>				
<u>CONTRACTED SERVICES</u>				
***	4410	00	Legal	Expenditures for professional services supporting the operation of the government. Does not include costs associated with a specific project.
***	4420	00	Consultants - Other	Expenditures for services requiring specialized or technical knowledge/skills.
***	4500	00	Engineering-Administration	Oversight of all District engineering activities not associated with a specific project, includes supervising staff assigned to projects, responding to general inquiries of the public and the Board, preparing correspondence and billings, attendance at general meetings. Includes monthly retainer fee.
***	4510	00	Engineering Program Review	Review and comment on plans and proposals submitted to the District for review relative to District regulations, policies and concerns. Does not include costs associated with a specific project or permit applications.
***	4520	00	Engineering Permit Review	Review of all permit applications, clarifying problems with the developer, meeting developer on-site,

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
				coordinate permit issues with communities, counties and other regulatory bodies.
***	4530	00	Engineering Project Review	On-site engineering, project preliminary engineer, plans and specifications and bidding; or could be separately stated using account codes below.++
***	4531	00	++Engineering Project Review	On-site engineering.
***	4532	00	++Engineering Project Review	Project preliminary engineer.
<u>EXPENDITURES</u>				
<u>CONTRACTED SERVICES (continued)</u>				
***	4533	00	++Engineering Project Review	Plans and specifications and bidding.
***	4540	00	Engineering Water Quality	Engineering expenditures related to lake and stream monitoring performed on a continuing basis in support of the management plan.
***	4550	00	Engineering Review	Proposed plan the District would like comments/information on but not yet a permit or project.
***	4560	00	Engineering Project Feasibility Studies	Feasibility studies for District capital improvement projects.
***	4570	00	Engineering Waterway and Project Operation and Maintenance	Periodic inspection and recommended maintenance of existing District project, including preparing repair and maintenance recommendations, collecting bids and supervising contract work.
***	4580	00	Engineering Construction/Improvements	Engineering related to construction. Districts may use engineering - project review to record engineering expenditures related to construction/improvement projects.
***	4590	00	Watershed Hydraulic/Hydrological Analysis	Watershed district studies; investigation into watershed hydrologic and hydraulic systems.
***	4599	00	Engineering - Other	Miscellaneous engineering expenditures not related to any of the above definitions; however, this is not a "catch all" account. Anything substantial should be coded to a specific program or project.
***	4600	00	Construction Improvement Services	Expenditures for contractors related to completing a project improvement or repair.

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<u>EXPENDITURES</u>				
<u>EQUIPMENT</u>				
***	4635	00	Equipment purchase, rental, lease	Acquiring necessary office and research equipment, including computers and other telecommunication equipment.
***	4640	00	Equipment maintenance	Office and equipment maintenance, including computer software maintenance agreements, labor and parts required to maintain existing equipment. This account can include any equipment purchased in support of a project if the depreciation period of the equipment will exceed the funding period of the project.
***	4645	00	Vehicle lease and maintenance	Monthly vehicle lease payments, maintenance and fuel for vehicles.
***	4650	00	Repairs & Maintenance	Expenditures for repair and maintenance services or upkeep of buildings and equipment not provided directly by government personnel
<u>EXPENDITURES</u>				
<u>PROGRAM ACTIVITIES</u>				
***	4700	00	Permit	Costs associated with issuing a permit for a specific program.
***	4701	00	Application/Review and Processing	Engineering assistance to review all permit applications; resolving problems with the developer; on-site developer consultations; coordinating permit issues with communities and other regulatory bodies.
***	4702	00	Inspection and Enforcement - Legal	Enforcement activities including letters, recommended actions and legal actions.
***	4703	00	Inspection and Enforcement - Engineer	Inspect projects when a designed improvement is involved or when requested by District staff.
***	4710	00	Water Quality Monitoring - Lake Monitoring	Monitoring and data acquisition - Lake monitoring performed on a continuing basis in support of the Management Plan. Include costs of laboratory analysis; does not include equipment maintenance or acquisition of new monitoring equipment.
***	4711	00	Water Quality Monitoring - Lake Monitoring - Engineer	
***	4712	00	Water Quality Monitoring - Lake Monitoring - Equipment	

Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<i>EXPENDITURES</i>				
<i>PROGRAM ACTIVITIES (continued)</i>				
***	4713	00	Water Quality Monitoring - Lake Monitoring - Lab Analysis	
***	4715	00	Water Quality Monitoring - Stream Monitoring	Monitoring and data acquisition - Stream monitoring performed on a continuing basis in support of the Management Plan. Include costs of laboratory analysis; does not include equipment maintenance or acquisition of new monitoring equipment.
***	4716	00	Water Quality Monitoring - Stream Monitoring - Engineer	
***	4717	00	Water Quality Monitoring - Stream Monitoring - Equipment	
***	4718	00	Water Quality Monitoring - Stream Monitoring - Lab Analysis	
***	4720	00	GIS	Provides for continuous upgrading of GIS system data files and equipment files as needed.
***	4725	00	Ground Water Monitoring	
***	4730	00	Maps and Data	Expenditures associated with collection and mapping of data for a specific program.
***	4740	00	Research and Specific Project Studies	Expenditures associated with conducting research into various water and resource management issues and problems associated with a specific project.
***	4750	00	Management Plan - District	
***	4760	00	Subwatershed Plans and Projects	
***	4770	00	Local Water Plans and Projects	
***	4780	00	Best Management Practices	

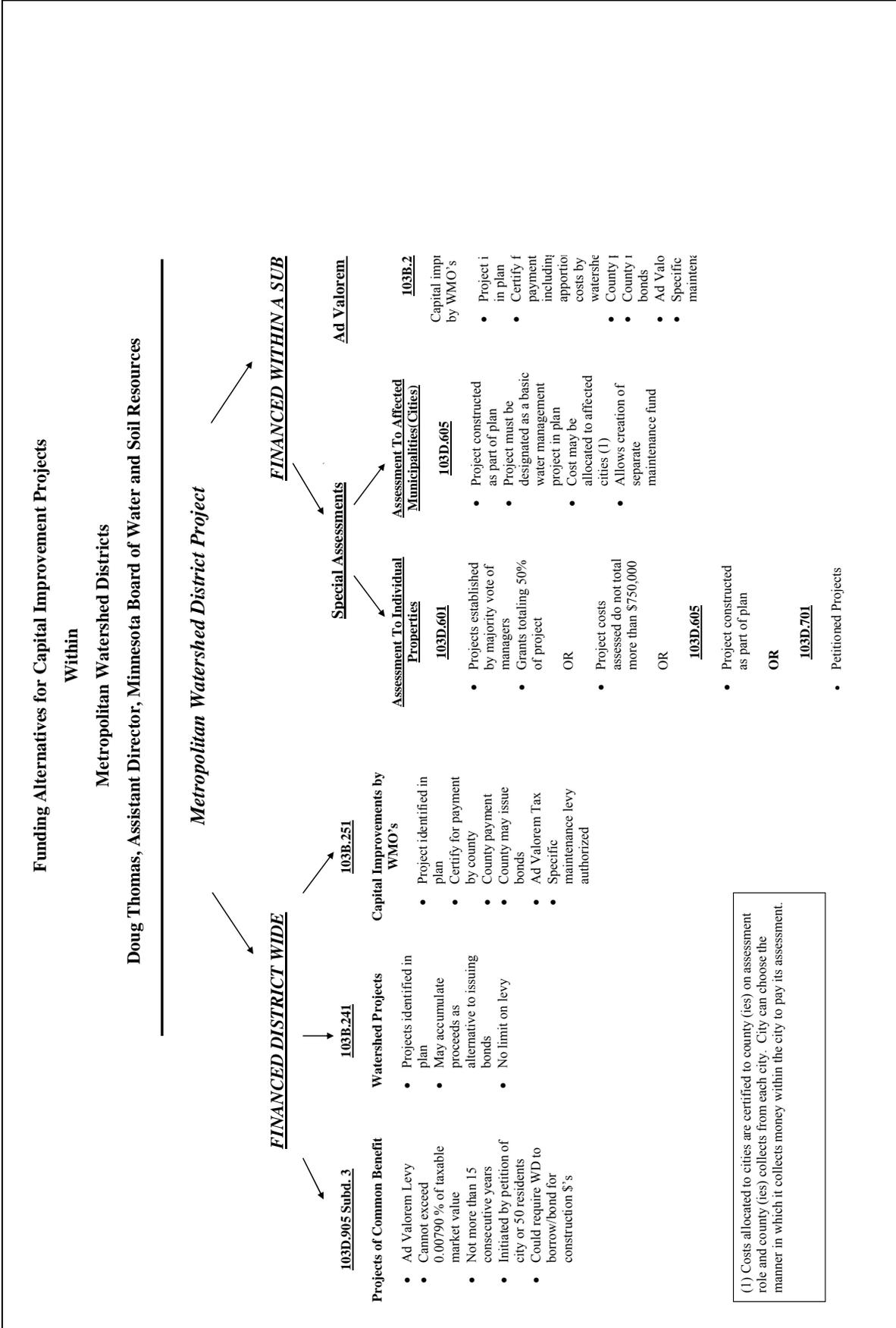
Fund	Account	Dept/Sort (Optional)	Account Description	Definition
<u>COMMUNITY RELATIONS</u>				
***	4800	00	Advisory Committee	Miscellaneous expenditures related to the activities of District advisory committees, such as meeting refreshments, supplies, informational materials, per diem, etc.
***	4810	00	Public Information and Education	All costs of producing the annual report and other educational materials; costs of public meetings and hearings which are not associated with a project.
<u>OTHER</u>				
***	4900	00	Interest Expenditures	Expenditures for the cost of borrowing financial resources.
***	4910	00	Bank Charges and Service Costs	
***	4950	00	Miscellaneous Expenditures	Expenditures that are infrequent and do not fall into any of the above categories.
***	4990	00	General Contingency	
***	4999	00	Operating Transfers Out	Financial outflows to other funds of the government reporting entity.

*** This represents the Fund number (Project or Program Number) which you can customize for each project/program. You may only use a few of the above accounts for certain funds or many of the above accounts for other funds. For example, Project ABC (also called fund 400) may have only engineering and consulting so for this fund the accounting structure would be:

400-4420-00	Consultants - Other
400-4510-00	Engineering Program Review

Another project/fund may need to use more accounts. In this instance you would use the account numbers as needed from the listing above, however, you would assign the different fund/project number in place of the *** (I.e. this fund may be **401**).

Note: The fund/project number can be more than 3 digits, this was used for our example.



Appendix D-4

Source: Sauk Rapids River Watershed District

CATEGORY	RETENTION PERIOD + YEARS	RECORD CLASS	DESTRUCTION	COMMENTS
Agenda's	Permanent	Record		Copy attached to minutes
Assessments	Inactive + 10	All documents	Shred	Accounting retains
Billable/NB hours	Active document + 10	Important	Shred	Project files
Budget	Active document + 5	Important	Shred	Copy in budget file
Catalogs, SRWD brochures, newsletters	Active document	All documents	Wastepaper	Front catalog rack
Contracts/agreements	Active document + 10	All documents	Shred	See legal section of agreements
Correspondence	Current Year + 3	All Documents	Shred	The only items in this category that should be retained beyond the scheduled retention period are those involving matters known to be active or those relating to the commitments, agreement, tax matters, etc. Individual working files and department files should be updated constantly to eliminate unnecessary copies of documents.
E-mails	Immediate Delete	All Documents	System Delete	This refers to informal email used to communicate in lieu of telephone conversation. The only items in this category that should be retained beyond the scheduled retention period are those relating to ongoing activities.
Employee Daytimers	Active Document + 3	Important	Shred	
Employee Files	Active Document + 5	All Documents	Shred	Upon termination records should be maintained for 5 years
Manuals and Warranties	Period Owned	All Documents	Wastepaper	
Equipment Manuals, Policy	Period Owned	Important	Shred	
Minutes	Permanent	Record		Minutes are stored in Minute book for permanent record
Monthly Expenses	Current Year + 3	Record	Shred	Accounting retains for tax purposes
Overall Plans, Audits, Annual Reports	Inactive + 10	All Documents	Shred	Accounting retains
Permits	Current Year + 3	Record	Shred	Accounting Retains

CATEGORY	RETENTION PERIOD + YEARS	RECORD CLASS	DESTRUCTION	COMMENTS
Presentations	Current Year + 3	Record	Shred	
Newspapers/Magazine	Current	All Documents	Wastepaper	
Procedures, Instructions	Current Year + 3	Record	Wastepaper	
Field books/Lab Data Sheets	Inactive + 10	Record	Shred	MPCA may request data
Project Folders	Inactive + 10	All Documents	Shred	Black Binders above Back Desk
Purchase Order	Inactive + 2	All Documents	Shred	Keep in Purchase Order Binder
Quarterlies	Current Year + 1	All Documents	Shred	Accounting retains for tax purposes
Rain gauge Sheets	Current year + 10	All Documents	Shred	
Resolutions	Permanent	Record		Resolutions shall be recorded
Sick Accrued	Current Year + 1	All Documents	Shred	Accounting retains copy in fire proof
Time Sheets	Current Year + 1	All Documents	Shred	Accounting retains for tax purposes
Treasurers Report	Current Year + 1	All Documents	Shred	Accounting retains for tax purposes
Vacation Accrued	Current Year + 1	All Documents	Shred	Accounting retains copy in fire proof

RETAIN FOR ACCOUNTING PURPOSES	
RETAIN FOR 10 + YEARS FROM DATE ON FILE	
RETAIN FOR 5 + YEARS FROM 2004	
DESTROY FILES 1ST WEEK OF JULY	

APPENDIX E

E-1 – Example of Watershed District Website	287
E-2 – Listing of Watershed Districts and Home Counties.....	289

Appendix E-1

MAWD

Minnesota Association of Watershed Districts

<p>Home</p> <p>What is MAWD?</p> <p>What's Happening with MAWD?</p> <p>What is a Watershed District?</p> <p>Legislative Program</p> <p>The MAWD Internet Office</p> <p>Where is my Watershed District?</p> <p>Alphabetical Listing of MN Watershed Districts</p> <p>Waterlinks</p>	<h2 style="margin-top: 0;">Bois De Sioux Watershed District</h2> <hr style="border: 1px solid blue;"/> <p>Established May 11, 1988</p> <p>District Phone - 320-563-4185 Fax - 320-563-4987 Cell Phone - 800-630-0255</p> <p>E-mail - bdswd@frontiernet.net</p> <p>District Office - 1002 Broadway, Wheaton, 56296</p> <p>District Meeting - Third Thursday at 9:00 a.m. in District Office - November through March. Third Thursday at 8:00 a.m. - April through October</p> <p>District Attorney - Thomas C. Athens, 125 S. Mill Street, P.O. Box 697, Fergus Falls, 56537; 218-736-5456, email: tathens@firmanswer.com</p> <p>District Engineer - Charlie Anderson, JOR Engineering, P.O. Box 1064, Alexandria, 56308; 320-762-9740, e-mail: joreng@charter.net</p> <p>District Administrator - Jon Roeschlein, District Office; 320-563-4185, bdswd@traverse.net</p> <p>Assistant Administrator - Monica Wilson, District Office; 320-563-4185</p> <p>Board of Managers</p> <p>Jerome Deal, President 1501 2nd Ave. So., Wheaton, MN 56296 County: Traverse Expires: 05-10-2007 Telephone: 320-563-8377</p> <p>Brian Lacey, Vice President 33157 320th Avenue, Wendell, MN 56590 County: Grant Expires: 05-10-04 Telephone: 218-458-2595</p> <p>Don Davenport 12752 County Hwy 15, Fergus Falls, MN 56537 County: Ottertail Expires: 5-10-2005 Telephone: 218-739-9281</p> <p>Doug Daniels, Treasurer 7775 - 750th Avenue, Tintah, MN 56296 County: Traverse Expires: 5-10-2006 Telephone: 218-369-2654</p> <p>Neil Blume</p>
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Search

GO

Full Site
 This Section

Search Tips

603 Dresden Avenue North, Herman, MN 56248
 County: Grant
 Expires 5-10-05
 Phone: 320-677-2382

John Lampert
 62729 - 130th Street, Chokio, MN 56221
 County: Stevens
 Expires: 05-10-2007
 Telephone: 320-677-2579

Jon Pansch
 26737 County Road 65, Graceville, MN 56240
 County: Big Stone
 Expires: 05-10-2006
 Telephone: 320-748-7516

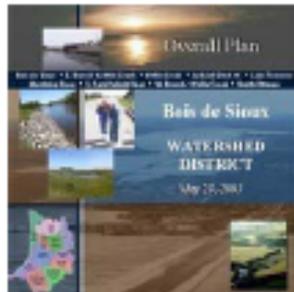
Bill Raguse
 7772 - 690th Street, Campbell, MN 56522
 County: Wilkin
 Expires: 5-10-2005
 Telephone: 320-563-4885

Robert Roach, Secretary
 3257 - 450th Street, Campbell, MN 56522
 County: Wilkin
 Expires: 5-10-2006
 Telephone: 218-630-5731

 [North Ottawa Impoundment](#) Engineer's Report, December 18, 2003 (pdf, 9,615 kb)

 [Permit Application \(.PDF\)](#)

Overall Plan - Bois de Sioux Watershed District



Watershed District Rules

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Appendix E-2
WATERSHED DISTRICTS AND HOME COUNTIES

NAME OF DISTRICT	COUNTY *Indicates home county
Bear Valley Watershed	Goodhue Wabasha*
Belle Creek Watershed	Goodhue*
Bois de Sioux Watershed	Big Stone Grant Otter Tail Stevens Traverse* Wilkin
Browns Creek Watershed	Washington*
Buffalo Creek Watershed	Carver Kandiyohi McLeod* Renville Sibley
Buffalo-Red River Watershed	Becker Clay* Otter Tail Wilkin
Capitol Region Watershed	Ramsey*
Carnelian-Marine Watershed	Washington*
Cedar River Watershed	Dodge Freeborn Mower * Steele
Clearwater River Watershed	Meeker Stearns Wright*
Comfort Lake/Forest Lake Watershed	Chisago Washington*
Coon Creek Watershed	Anoka*
Cormorant Lakes Watershed	Becker*

NAME OF DISTRICT	COUNTY *Indicates home county
Crooked Creek Watershed	Houston*
Heron Lake Watershed	Cottonwood Jackson Murray Nobles*
High Island Watershed	McLeod Renville Sibley*
Joe River Watershed	Kittson*
Kanaranzi-Little Rock watershed	Nobles* Rock
Lac Qui Parle-Yellow Bank Watershed	Lac Qui Parle* Lincoln Yellow Medicine
Lower MN River Watershed	Carver Dakota Hennepin* Scott
Middlefork Crow River Watershed	Kandiyohi* Meeker Polk Sterns
Middle River-Snake Watershed	Marshall* Pennington Polk Roseau
Minnehaha Creek Watershed	Carver Hennepin*
Nine Mile Creek Watershed	Hennepin*
North Fork-Crow River Watershed	Kandiyohi Meeker Pope Stearns*
Okabena-Ocheda Watershed	Nobles*

NAME OF DISTRICT	COUNTY *Indicates home county
Pelican River Watershed	Becker* Otter Tail
Prior Lake-Spring Lake Watershed	Scott*
Ramsey-Washington Metro Watershed	Ramsey* Washington
Red Lake Watershed	Beltrami Clearwater Itasca Koochiching Mahnomen Marshall Pennington Polk Red Lake* Roseau
Rice Creek Watershed	Anoka Hennepin Ramsey* Washington
Riley-Purgatory Bluff Creek Watershed	Carver Hennepin*
Roseau River Watershed	Beltrami Kittson Lake of the Woods Marshall Roseau*
Sand Hill Watershed	Mahnomen Norman Polk*
Sauk River Watershed	Douglas Meeker Pope Todd Stearns*
Shell Rock Watershed	Freeborn
South Washington Watershed	Washington*

NAME OF DISTRICT	COUNTY *Indicates home county
Stockton-Rollingstone Watershed	Winona*
Thirty Lakes Watershed	Crow Wing*
Turtle Creek Watershed	Freeborn Mower*
Two River Watershed	Kittson* Marshall Roseau
Upper MN River Watershed	Big Stone* Lac Qui Parle Stevens Swift Traverse
Valley Branch Watershed	Ramsey Washington*
Warroad Watershed	Lake of the Woods Roseau*
Wild Rice Watershed	Becker Clay Clearwater Mahnommen Norman* Polk
Yellow Medicine River Watershed	Lincoln Lyon* Yellow Medicine