



3235 Fernbrook Lane N • Plymouth, MN 55447
Phone (763) 553-1144 • Fax (763) 553-9326

www.shinglecreek.org

June 29, 2015

City Clerks

Member Cities

[via email](#)

West Mississippi Watershed Management Commission
Hennepin County, Minnesota

RE: West Mississippi Watershed Management Commission
2016 Operating Budget and Member Assessments

At its May 14, 2015 meeting, the West Mississippi Watershed Management Commission adopted an operating budget for calendar year 2016. The budget is in the amount of \$177,500 and is outlined in Table 1 on page 3 of this letter. Table 2 describes the line items in more detail.

The 2016 budget generally continues existing activities but also reflects the Third Generation Plan Monitoring Program and Education and Outreach Plan. Detailed below are descriptions of some of the more significant line items for 2016.

Stream and Outfall Monitoring (line 21). As part of the Third Generation Plan Monitoring Program the Commission will routinely monitor flow and water quality at two stream and/or outfall sites each year on a rotating basis. This budget is proposed to increase slightly to better reflect the actual cost of monitoring.

Contribution to Construction/Grant Match (line 29). This line item sets aside \$5,000 annually for grant matching in a designated reserve account. This is to fund a contribution to a grant-funded project or study, or to fund a project or study that is high priority where no grant funds are available. We recommend that after this year the Commission discontinue making contributions to this reserve until it undertakes a project or study using these funds.

Contribution to 4th Generation Plan (line 30). When the member cities agreed to an "above the cap" assessment to complete the Third Generation Plan, they advised the Commission to begin setting aside funds every year in a reserve to pay for the Fourth Generation Plan in ten years. This budget does not specifically set aside funds from the city assessments for that purpose. Instead, as part of the budget approval process, the Commission voted to designate \$30,000 from the unencumbered reserve to this segregated account. This is the same amount the Commission contributed to the Third Generation Plan.

Table 3 on page 4 shows the 2016 assessments to the member cities. A 2004 amendment to the JPA set an "assessment cap" on the Commission's administrative budget that limits the annual city assessment increase to the increase in the Consumer Price Index (CPI-U), using the 2004 assessment as a base. The Commission could increase member city assessments for 2016 to



\$153,650. However, the recommended 2016 budget provides for an assessment of \$135,700, the same as in the three previous years. The unrestricted fund balance at the end of 2014 was approximately \$111,200.

Article VIII, Subdivision 4 of the Joint Powers Agreement (JPA) that established the Commission provides that a member city may object to the budget by giving written notice to the Commission before August 1, 2015. If any objections are received, the Commission will hear the objections at its August 13, 2015 meeting and may modify the budget.

The West Mississippi Watershed Management Commission requests approval of its 2016 Operating Budget. Your cooperation in continuing the important work of the Commission is greatly appreciated. Questions may be directed to this office or to your representative.

Sincerely,

A handwritten signature in black ink that reads "Judie A. Anderson".

Judie A. Anderson
Administrator

JAA:tim

Cc via email: City Managers
Commissioners
TAC Members
Commission Staff



Table 1. West Mississippi Watershed Management Commission 2016 budget.

		Approved 2014	Actual 2014	Approved 2015	Approved 2016
INCOME					
1	Application fees	3,000	\$23,300	\$6,000	\$18,000
2	Interest income	50	61	50	60
3	Assessment	135,700	135,700	135,700	135,700
4	From Reserves	23,000	-386		
	TOTAL INCOME	161,750	\$158,675	\$163,550	\$177,500
EXPENSES					
OPERATIONS					
<i>Administration:</i>					
5	Administrative services	\$28,000	\$32,191	\$28,000	\$30,000
6	TAC/engineering support	4,000	3,055	4,000	3,500
7	Project reviews/WCA	1,500	997	1,000	1,000
8	Third Gen Plan	0	0	0	0
	Subtotal	\$33,500	\$36,243	\$33,000	\$34,500
<i>Engineering:</i>					
9	Engineering services	16,000	18,498	20,000	21,500
10	Grant writing	1,500	1,496	1,500	1,500
11	Project reviews/WCA	12,000	22,585	12,000	20,000
12	Third Gen Plan		0	0	0
	Subtotal	29,500	\$42,579	\$33,500	\$43,000
<i>Legal:</i>					
13	Legal services	4,800	4,862	5,000	5,000
	Subtotal	4,800	\$4,862	\$5,000	\$5,000
<i>Miscellaneous:</i>					
14	Bookkeeping	3,200	1,999	3,000	2,500
15	Audit	5,000	4,500	5,000	5,000
16	Contingency	1,500	0	1,500	0
17	Insurance & bonding	2,000	1,899	2,000	2,800
18	Meeting expense	1,500	1,380	1,600	1,700
	Subtotal	13,200	\$9,778	\$13,100	\$12,000
<i>Monitoring:</i>					
19	Vol stream monitoring	1,000	2,000	1,000	1,000
20	Vol wetland monitoring	2,000	4,000	2,000	2,000
21	Outfall & stream monitoring	15,000	14,995	15,000	17,000
22	Annual monitoring report	5,000	5,924	5,000	6,000
	Subtotal	23,000	\$26,919	\$23,000	\$26,000
<i>Education:</i>					
23	Education program	15,000	7,388	15,000	14,000
24	Rain garden workshops	3,000	2,200	3,000	3,000
25	WMWA impl activities	9,750	7,769	9,750	10,000
26	Education grants	5,000	0	2,000	2,000
	Subtotal	32,750	\$17,377	\$29,750	\$29,000
<i>Management Plans:</i>					
27	3 rd Gen Plan/plan amendments		2,035	1,200	3,000
28	Subwatershed BMP assessment	20,000	20,152	20,000	20,000
	Subtotal	20,000	\$22,187	\$21,200	\$23,000
29	Contrib to constr/grant match	5,000	0	5,000	5,000
30	Contribution to 4th Gen Plan		0	0	
31	To (from) reserve		0		
	TOTAL OPERATING EXPENSE	161,750	\$159,945	\$163,550	\$177,500



Table 2 - Budget Line Item Descriptions

Income

Line	Explanation
1	The application fee structure is intended to recover the cost of completing current project reviews. While the fees do not fully fund that activity, they are set and periodically reviewed and adjusted so as to recover a majority of the cost. It is difficult to predict and budget for project review revenues and fees because it varies based on the economy. Project review activity has increased considerably in the past few years, and the expected revenue is also expected to increase.
3	The 2016 assessment to member cities is recommended to be unchanged from the 2013-2015 assessment. The Commission continues to carry a significant cash balance.

Expenditures

Line	Explanation
5-8	These line items are to provide administrative support (scheduling, minutes, etc.) for regular Commission and TAC meetings and any Commission, TAC, or other meetings that require support, as well as general administrative duties such as notices, mailings, and correspondence. The Watershed Engineer continues to request the administrator to take on tasks that she can perform more cost effectively. Adjustments are proposed in some of these line items based on expenditure history.
9	This line item includes general engineering support, including preparation for and attendance at Commission and TAC meetings, general technical and engineering assistance, minor special projects, etc.
11	This line item is for project reviews, review of Local Water Management Plans and Comprehensive Plan amendments and updates, environmental assessments, and general inquiries about past and upcoming projects. This activity has noticeably increased in the past few years, as there have been more planning and pre-submittal meetings and reviews. It is difficult to predict what the expense for a coming year will be, as it is based on the number of project reviews, inquiries, etc. received.
19-20	At this time we are not recommending changes to the volunteer stream or wetland monitoring budgets. One stream site is monitored (Mattson Brook) through the RiverWatch program, and two wetlands through the Wetland Health Evaluation Program, both volunteer programs managed by Hennepin County.
21	Routine flow and water quality monitoring at two stream and/or outfall sites each year on a rotating basis.
22	This line is the Commission's contribution to the Annual Shingle Creek/West Mississippi Water Quality Report.
23,26	The cost of the Education program is split 50/50 between Shingle Creek and West Mississippi. No increase is proposed in 2016.
24-25	The Commission participates in the West Metro Water Alliance (WMWA), contributes to funds to support rain garden workshops, classroom activities, and special projects on a regional basis.
27	The Commission reviews its Capital Improvement Program (CIP) annually, and periodically formally revises the CIP through major and minor plan amendments.
28	Completion of subwatershed BMP assessments systematically in the areas of the watershed that could benefit from additional treatment as recommended in the Third Generation Plan.
29	Grant match set-aside.
30	One-time contribution toward the cost of the 4th Generation Plan, taken from unrestricted reserves.



Table 3 - 2016 Member Assessments

2014		2013 Tax Capacity per Henn Cty	Cost Allocation		Cost Based		Total Cost	
Community	Acreage		Based on Area		on Tax Capacity			
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	4,843,481	10.46%	7,097	10.24%	6,949	10.35%	14,046
Brooklyn Park	9,880	27,582,770	62.26%	42,241	58.33%	39,575	60.29%	81,816
Champlin	3,620	12,550,550	22.81%	15,477	26.54%	18,008	24.68%	33,485
Maple Grove	530	1,737,687	3.34%	2,266	3.67%	2,493	3.51%	4,759
Osseo	180	574,817	1.13%	769	1.22%	825	1.17%	1,593
Totals	15,870	47,289,305	100.00%	67,850	100.00%	67,850	100.00%	135,700
2015		2014 Tax Capacity per Henn Cty	Cost Allocation		Cost Based		Total Cost	
Community	Acreage		Based on Area		on Tax Capacity			
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	5,401,331	10.46%	7,097	10.90%	7,396	10.68%	14,493
Brooklyn Park	9,880	28,619,118	62.26%	42,241	57.77%	39,197	60.01%	81,438
Champlin	3,620	12,871,884	22.81%	15,477	25.98%	17,627	24.39%	33,104
Maple Grove	530	2,002,754	3.34%	2,266	4.04%	2,741	3.69%	5,007
Osseo	180	645,930	1.13%	769	1.31%	889	1.22%	1,658
Totals	15,870	49,541,017	100.00%	67,850	100.00%	67,850	100.00%	135,700
2016		2015 Tax Capacity per Henn Cty	Cost Allocation		Cost Based		Total Cost	
Community	Acreage		Based on Area		on Tax Capacity			
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	5,953,987	10.46%	7,097	10.85%	7,362	10.66%	14,459
Brooklyn Park	9,880	32,049,040	62.26%	42,241	58.42%	39,641	60.34%	81,882
Champlin	3,620	13,957,936	22.81%	15,477	25.44%	17,262	24.13%	32,739
Maple Grove	530	2,170,128	3.34%	2,266	3.96%	2,682	3.65%	4,948
Osseo	180	725,279	1.13%	769	1.33%	902	1.23%	1,670
Totals	15,870	54,856,370	100.00%	67,850	100.00%	67,850	100.00%	135,700



2016 Budget Explanation

INCOME

- Assessments: annual assessments to the member cities to pay the operating expenses of the Commission. Assessments are apportioned 50 percent based on land area within the watershed and 50 percent based on tax capacity of land within the watershed.
- Other: project review fees, interest on funds held, grant funds, etc.

EXPENSES

OPERATIONS: All activities **mandated** by statute or state administrative rule except where noted.

Administration

- Administrative Services: clerical and office support duties on behalf of the Commission, such as preparing for and attending meetings, preparing minutes and agendas, correspondence, mailings, official records, official publications, annual reporting, preparing budget.
- Engineering Support: correspondence, official publications, attendance and minutes at TAC and other special meetings, and other support regarding engineering activities.
- Project Reviews/WCA: correspondence and other support regarding project reviews and Wetland Conservation Act actions.

Engineering

- Administration: technical and administrative duties on behalf of the Commission, such as: investigation and resolution of drainage, flood control, bank stabilization, erosion and water quality problems; research; preparing for and attending meetings; correspondence; responding to inquiries; annual reporting; preparing budget
- Grant Application Writing: researching and writing grant applications to supplement Commission funds. **Not mandated.**
- Project Reviews/WCA: reviewing projects and wetland replacement plans for conformance with Commission and WCA requirements; reviewing local plans and comprehensive plan amendments; consultation on upcoming projects; reviewing environmental assessments.

Legal

- Legal Services: general counsel, preparing for and attending meetings, drafting policies and variances, reviewing contracts and agreements.

Miscellaneous

- Miscellaneous: annual audit, bookkeeping services, insurance and bonding, and meeting expenses.



MONITORING AND INFORMATION GATHERING: State administrative rules **mandate** water quantity and quality monitoring programs that are "...capable of producing accurate data to the extent necessary to determine whether water quantity and quality goals are being achieved" but *do not specify* what those programs should entail.

- **Volunteer Stream Monitoring: Macroinvertebrate monitoring:** in partnership with Hennepin County Environmental Services, students are trained to sample streambeds for macroinvertebrates and to classify the sampled organisms as an indicator of stream health. Monitoring is done on Mattson Brook.
- **Volunteer Wetland Monitoring: Macroinvertebrate and vegetation monitoring:** in partnership with Hennepin County Environmental Services, adults are trained to monitor and sample wetlands for plants and macroinvertebrates and to classify the sampled organisms and plants as an indicator of wetland health. Two to three sites are monitored each year.
- **Commission Stream and Outfall Monitoring:** Field data collection, equipment maintenance, sample lab analysis, and data analysis for flow monitoring and water quality sampling at two sites which rotate among Mattson Brook, the outlet of the Brooklyn Park Environmental Preserve, and various Mississippi River storm sewer outfalls.
- **Water Quality Monitoring Report:** An annual report that presents data gathered in the previous year and evaluates whether water quantity and quality goals are being achieved.

EDUCATION AND PUBLIC OUTREACH: A public information program is **mandated** by state administrative rules .The Commission also provides at the member cities' request NPDES Phase II education and public outreach programs **mandated** by the federal and state governments; the NPDES specifies the types of education and outreach that should be provided.

Education

- **General public information and NPDES education program:** target one or two messages per year; coordinate messages with cities; prepare materials for distribution by member cities; work with lake associations; Great Shingle Creek Watershed Cleanup; work with Watershed Partners; coordinate Education and Public Outreach Committee (EPOC); coordinate with the West Metro Water Alliance (WMWA) (with Shingle, Bassett, and Elm WMOs); work with area schools; maintain Web site.

Education Grants:

- **Financial assistance for activities such as classes or programs to improve water quality education;** curriculum and educational materials for use in the classroom; expenses for field trips or fieldwork related to water quality education; implementation projects that include an education component.

MANAGEMENT PLANS: The Commission is **mandated** by state statute and administrative rule to pursue an Implementation Program that consists of nonstructural, structural, and programmatic solutions to problems, issues, and management goals, although it does not specify what must be included.



3rd Gen Plan/Management Plans: Each year the Commission reviews the Capital Improvement program (CIP), and if necessary modifies it through a major or minor plan amendment.

Subwatershed BMP Assessments: Using a method developed by the Metro Conservation District and the Center for Watershed Protection, these analyses evaluate and model smaller subwatersheds for possible small Best Management practice implementation, including rain gardens, bioinfiltration and filtration basins, pond expansions and iron-enhanced filter retrofits, pervious pavement, tree trenches, capture and reuse, and other practices. Such an assessment has been completed in Champlin, in select direct drainage areas to the Mississippi River, and in Brooklyn Center, in the Evergreen Park area.

CONSTRUCTION/MATCHING GRANT FUND: Not mandated

An annual capital contribution towards a fund to be used to match grants or for high-priority projects as designated by the Commission.

CONTRIBUTION TO 4TH GENERATION MANAGEMENT PLAN

The Commissions are required by statute to update their plans at least every ten years. The Shingle Creek Commission is accumulating funds in a dedicated account to pay for this plan, expected in 2021-2022. The West Mississippi Commission at this time expects to pay its share from fund balance.

PROJECTS: The Commission is **mandated** by state statute and administrative rule to pursue an Implementation Program that consists of nonstructural, structural, and programmatic solutions to problems, issues, and management goals. The Commission maintains an updated Capital Improvement Program (CIP) identifying potential projects, and has a policy of participating in 25 percent of the cost of qualifying capital projects. The Commission does not have the authority to construct capital projects; all projects are completed by the member cities who fund the balance of the cost