



M E M O R A N D U M

October 28, 2016

HAND DELIVERED

TO: Steve Simon, Secretary Of State

FR: Travis Germundson, Water Management Coordinator

PH: (651) 297-4958

RE: Termination of the Thirty Lakes Watershed District

Pursuant to Minn. Stat. §103D.271, Subd. 10 (c), a certified copy of the Board of Water and Soil Resources Findings of Fact, Conclusions and Order dated October 27, 2016 which terminates the Thirty Lakes Watershed District, is hereby enclosed for filing. Upon this filing the Thirty Lakes Watershed District ceases to be a political subdivision and ceases to exist pursuant to Minn. Stat. §103D.271, Subd. 10 (d).

Please contact me if you have any questions.

Enclosure:

cc: Crow Wing County Lands Services Director/Auditor
Crow Wing County Administrator
Crow Wing County Attorney
Crow Wing County SWCD
Mayor, City of Breezy Point
Mayor, City of Nisswa
Lake Edward Township
Center Township
Pelican Township
Mission Township
Tony Bauer, Thirty Lakes Watershed District President
Chris Pence, Thirty Lakes Watershed District Administrator
Steve Colvin, DNR Director Division of Ecological and Water Resources
Ray Bohn, Minnesota Association of Watershed Districts
BWSR: John Jaschke, Doug Thomas, Ryan Hughes, Maggie Leach

| Bemidji | Brainerd | Detroit Lakes | Duluth | Mankato | Marshall | New Ulm | Rochester |
|--|--|--|---|---|---|---|--|
| 403 Fourth Street NW Suite 200 Bemidji, MN 56601 (218) 755-2600 | 1601 Minnesota Drive Brainerd, MN 56401 (218) 203-4470 | 26624 N. Tower Road Detroit Lakes, MN 56501 (218) 846-8400 | 394 S. Lake Avenue Suite 403 Duluth, MN 55802 (218) 723-4752 | 12 Civic Center Plaza Suite 3000B Mankato, MN 56001 (507) 344-2821 | 1400 East Lyon Street Marshall, MN 56258 (507) 537-6060 | 261 Highway 15 South New Ulm, MN 56073 (507) 359-6074 | 3555 9 th Street NW Suite 350 Rochester, MN 55901 (507) 206-2889 |

Central Office / Metro Office 520 Lafayette Road North Saint Paul, MN 55155 Phone: (651) 296-3767

Fax: (651) 297-5615

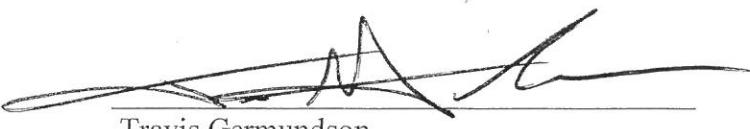
www.bwsr.state.mn.us TTY: (800) 627-3529 An equal opportunity employer

AFFIDAVIT

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

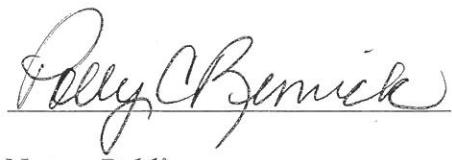
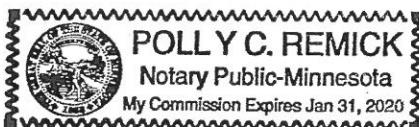
Minnesota Board of Water and Soil Resources

I, Travis Germundson, Water Management Coordinator with the Minnesota Board of Water and Soil Resources, County of Ramsey, State of Minnesota, being first duly sworn, on oath says that he has compared the attached copy of a six page Order of the Minnesota Board of Water and Soil Resources dated October 27, 2016, relating to the termination of the Thirty Lakes Watershed District with said Order on file with the Minnesota Board of Water and Soil Resources, and that said attached copy is hereby certified as a true and correct copy of said original and the whole thereof.



Travis Germundson

Subscribed and sworn to before me
this 28th day of October, 2016.



Polly C. Remick

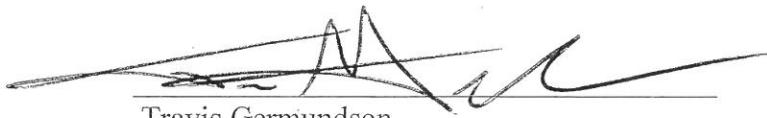
Notary Public

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

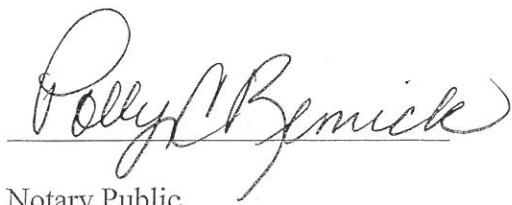
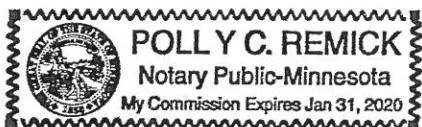
Minnesota Board of Water and Soil Resources

I, Travis Germundson, Water Management Coordinator with the Minnesota Board of Water and Soil Resources, County of Ramsey, State of Minnesota, being first duly sworn, on oath says that on October 28, 2016, at 2:30 PM he served the Minnesota Board of Water and Soil Resources Order dated October 27, 2016, relating to the Termination of the Thirty Lakes Watershed District, on Steve Simon, Secretary of State, therein named, personally at the State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd, Saint Paul, County of Ramsey, State of Minnesota, by depositing with support staff at the front desk in the Office of the Secretary of State, a certified true and correct copy thereof.



Travis Germundson

Subscribed and sworn to before me
this 28th day of October, 2016.



Polly C. Remick

Notary Public

Minnesota Board of Water and Soil Resources
520 Lafayette Road North
Saint Paul, MN 55155

In the Matter of the Termination Petition
for the Thirty Lakes Watershed District
pursuant to Minnesota Statute § 103D.271

ORDER
TERMINATION OF
THIRTY LAKES
WATERSHED DISTRICT

Whereas, a Petition was filed with the Board of Water and Soil Resources (Board) on May 19, 2016, by Crow Wing County on behalf of 1,107 resident owners residing in the Thirty Lakes Watershed District (TLWD), to terminate the TLWD, pursuant to Minn. Stat. §103D.271, and;

Whereas, the Board has completed its review of the TLWD Termination Petition;

Now Therefore, the Board hereby makes the following Findings of Fact, Conclusions, and Order.

FINDINGS OF FACT

1. **Termination Petition Filing.** The Petition and supporting information (Exhibit 1) was filed with the Board on May 19, 2016, by Crow Wing County on behalf of numerous resident owners residing in the TLWD. The Petition was signed by 1,107 residents (Exhibit 2) consisting of 35.5% of resident owners residing in the TLWD pursuant to Minn. Stat. §103D.271, Subd. 4.
2. **Certification of Petitioner Signature.** On May 13, 2016, Mark B. Liedl, Crow Wing County Land Services Director verified that the number of requisite signatures has been met pursuant to Minn. Stat. §103D.271, Subd. 5 (Exhibit 3), which was included in the filing of the Petition. The Crow Wing County Land Services Director has been delegated the County Auditor duties by the Crow Wing County Board of Commissioners.
3. **District Establishment.** The District was established on May 18, 1971, by Order of the Minnesota Water Resource Board, which is now the Board of Water and Soil Resources. The establishment petitions identified the need of a Watershed District to address lake water quality concerns, increased lakeshore development, stormwater management, septic system regulations, prevalence of swimmer's itch, and garbage in the lakes.

4. **Property Description.** The territory of the TLWD is located in west central Crow Wing County and covers approximately 70 square miles, incorporating all or parts of the Cities of Breezy Point and Nisswa and the Townships of Lake Edward, Center, Pelican, and Mission. Over 50 percent of the area is covered by surface water. The topography is relatively gently rolling and predominately consists of glacial outwash.
5. **Frequency of Termination Petition.** The Board has not accepted a termination petition for the TLWD within the past five years, pursuant to Minn. Stat. §103D.271, Subd. 3.
6. **Reasons for Termination.** The Petition and supporting information list the following reasons for termination of the TLWD:
 - a) The TLWD was established in 1971 primarily to address lake water quality, lakeshore development, stormwater management, and septic system regulations.
 - b) The original water resource management purposes of the TLWD are currently being adequately addressed by other governmental agencies.
 - c) The residents of the district are being served well by the other governmental agencies and this additional level of government is duplicative.
 - d) The TLWD has primarily focused its efforts toward water quality testing on area lakes.
 - e) The TLWD has initiated a limited number of projects since establishment and is not responsible for ongoing maintenance costs of any project.
 - f) The TLWD has not taxed property owners since 2012 due to lack of projects and excess fund reserves.
 - g) The TLWD has initiated an effective communication plan resulting in adequate support for termination among resident owners.
 - h) The continued existence of the TLWD does not benefit the public welfare and public interest and the TLWD is not needed to accomplish the purpose of Minn. Stat. §103D.
7. **Resolutions of Support.** Resolutions supporting the termination of the TLWD have been adopted by Crow Wing County (Exhibit 4), Lake Edward Township (Exhibit 5) and TLWD (Exhibit 6).
8. **Hearing Order.** At its regular meeting on June 22, 2016, the Board determined the Petition met the requirements of Minn. Stat. §103D.271 and consequently ordered a public hearing to be held on the Petition (Exhibit 23).

9. **Hearing Notice.** Legal notice of the public hearing on the Termination Petition, pursuant to Minn. Stat. § 103D.271, Subd. 8, was published in the Brainerd Dispatch on July 18 and 25, 2016 (Exhibit 25). Further, a copy of the legal notice was mailed to several addressees notifying them of the public hearing, including the Crow Wing County Auditor, Administrator, and Attorney; Crow Wing County Soil and Water Conservation District; all cities and townships in the watershed district; Minnesota Department of Natural Resources; Minnesota Association of Watershed Districts; and representatives from the TLWD (Exhibits 24 and 26).
10. **Public Hearing.** A public hearing was held on the termination petition of the TLWD on August 16, 2016, at the Lake Edward Town Hall located at 23977 County Road 4, Nisswa, Minnesota. The hearing started at 6:00 PM. The proceedings were audio recorded. The hearing panel consisted of Neil Peterson, Gerald Van Amburg, Brian Napstad, Gene Tiedemann, Keith Mykleseth and Tom Schulz as chair. After all people present at the public hearing were given an opportunity to speak and enter exhibits, the hearing record was left open for two additional weeks until 4:30 PM August 30, 2016, for receipt of written comments. No additional comments were received during the additional two week period.

The following list of exhibits comprise the hearing record. Travis Germundson Board staff, entered Exhibits 1 through 28 into the record by reading a brief description of each exhibit at the public hearing.

Exhibit 1. Letter, dated May 13, 2016, from Chris Pence, TLWD Administrator, to Travis Germundson, Board of Water and Soil Resources, transmitting the Termination Petition and supporting documentation.

Exhibit 2. Termination Petition for the TLWD consisting of 1,107 resident owners signatures.

Exhibit 3. Certification of Petitioner signatures, dated May 13, 2016, from Mark B. Liedl, Crow Wing County Land Services Director/Auditor.

Exhibit 4. Crow Wing County Board of Commissioners' Resolution supporting the dissolution of the TLWD, dated May 10, 2016.

Exhibit 5. Lake Edward Township Board of Supervisor's Resolution supporting the dissolution of the TLWD, dated May 10, 2016.

Exhibit 6. TLWD Board of Managers' Resolution supporting the dissolution of the District, dated June 13, 2016.

Exhibit 7. Excerpts of the TLWD's 2015 Revised Water Management Plan, including actions to evaluate the purpose and need of the District, dated September 14, 2015.

Exhibit 8. TLWD Evaluation Report including findings of fact for the dissolution of the District.

Exhibit 9. TLWD Board meeting minutes from January 11, 2016, accepting the Evaluation Report.

Exhibit 10. Letter, dated March 14, 2016, from Chris Pence, TLWD Administrator, to the TLWD Managers regarding the District's 10 Year Communication Plan Recommendations.

Exhibit 11. TLWD Board meeting minutes from March 14, 2016, approving the communication plan process.

Exhibit 12. Letter, dated March 21, 2016, from Ryan Hughes, Board of Water and Soil Resources to Chris Pence, Thirty Lakes Watershed District Administrator, regarding the Board's concurrence with the TLWD communication plan.

Exhibit 13. Letter, dated March 29, 2016, from Tony Bauer, President of the TLWD, to area residents regarding background information on TLWD, online survey assessment and notice of public meeting.

Exhibit 14. Letter, dated April 12, 2016, from Tony Bauer, President of the TLWD, to area residents regarding background information on TLWD, online survey assessment, notice of public meeting and signing the petition to support the proposal.

Exhibit 15. Copy of legal notice, dated April 14, 2016, published in local papers regarding the public meeting.

Exhibit 16. TLWD Board meeting minutes from April 19, 2016 public meeting.

Exhibit 17. Letter, dated April 26, 2016, from Tony Bauer, President of the TLWD to area residents regarding signing the petition to support the termination.

Exhibit 18. On-line survey summary results on the proposed termination.

Exhibit 19. Fact sheet on tax levy amounts by calendar year.

Exhibit 20. Fact sheet on redundancy of services.

Exhibit 21. Board meeting notice and agenda, dated June 13, 2016.

Exhibit 22. June 22, 2016, Board meeting agenda item materials including a draft order for a public hearing to be held on the Petition for Termination.

Exhibit 23. Board Order authorizing a public hearing to be held on the Petition for Termination, dated June 22, 2016.

Exhibit 24. Letter, dated July 15, 2016, from Travis Germundson, Board of Water and Soil Resources, to several addresses notifying them of the Public Hearing, including list of addressees and legal notice.

Exhibit 25. Affidavit of Publication, dated July 25, 2016, of Legal Notice in the Brainerd Dispatch on July 18 and 25, 2016.

Exhibit 26. Letter, dated August 1, 2016, from Travis Germundson, Board of Water and Soil Resources, to several addresses notifying them of the Public Hearing Time Correction, including list of addressees.

Exhibit 27. Board Northern Regional Committee Packet dated August 5, 2016, from Ryan Hughes,

Board of Water and Soil Resources, notifying the Committee of the public hearing, including Exhibits.

Exhibit 28. Letter, dated August 15, 2016, from Paul D. Reuvers, TLWD attorney with Iverson Reuvers Condon, regarding a cooperative agreement between the watershed district and the Crow Wing County on transferring funds, including draft resolutions and cooperative agreement.

11. **Hearing Panel.** Based on the entire record in the matter and after due consideration, the Board Northern Regional Committee met on October 12, 2016, in the Board's Detroit Lakes Field Office Conference Room located at 26624 North Tower Road, Detroit Lakes, Minnesota. Those in attendance from the Board's Committee were Neil Peterson, Gerald Van Amburg, Brian Napstad, Gene Tiedemann and Tom Schulz as chair. Board staff in attendance were Regional Manager, Ryan Hughes, and Board Conservationist, Maggie Leach. The representatives from the TLWD were the TLWD Board President, Tony Bauer, TLWD Board Treasurer, Darrell Palmer, and TLWD Administrator/Crow Wing County Land Services Director, Chris Pence. After discussion, the Committee's decision was to present a recommendation of approval of the Order to terminate the TLWD.
12. **General Fund Levy.** The Board of Managers of the TLWD has not levied or collected funds since 2012 due to lack of projects requiring TLWD assistance and excess fund reserves (Exhibit 19). The present balance of all funds of the TLWD is approximately \$150,000.
13. **Projects and Programs.** The Board of Managers of the TLWD is not responsible for on-going maintenance cost of any former project. The majority of the TLWD emphasis was on water quality monitoring.

CONCLUSIONS

1. The Petition for Termination of the TLWD is valid in accordance with Minn. Stat. §103D.271.
2. All relevant, substantive and procedural requirements of law and rule have been fulfilled.
3. The Board has proper jurisdiction in the matter of terminating the TLWD.
4. The TLWD should be terminated for the following reasons:
 - A. Other government agencies are adequately addressing the water resource needs for which the TLWD was originally established, resulting in duplication of services.
 - B. The TLWD has not collected any levy funds since 2012 due to a lack of approved projects and excess fund reserves.

- C. The TLWD is relatively small and is contained entirely within Crow Wing County.
- D. The TLWD completed a comprehensive evaluation of the purpose and need for the District as outlined in their water management plan and passed a motion supporting the findings of fact for termination.
- E. The TLWD conducted an effective communication plan on the proposed termination, generating overwhelming public support.
- F. Resolutions supporting the termination have been adopted by local units of government affected by the TLWD, including TLWD.

5. The TLWD should be terminated because the existence of the watershed district does not benefit the public welfare and public interest and the watershed district is not needed to accomplish the purpose of Minnesota Statutes Chapter 103D.
6. All remaining funds of the TLWD shall be transferred to the Crow Wing County Land Services Director/Auditor within 60 days of the date this Order is filed with the Secretary of State's Office. Darrell Palmer, current Treasurer of TLWD, in accordance with Minn. Stat. §103D.315, Subd.6, shall conduct the transfer of funds from the TLWD to Crow Wing County.

ORDER

The Board hereby orders that the Thirty Lakes Watershed District is terminated because the existence of the watershed district does not benefit the public welfare and public interest and the watershed district is not needed to accomplish the purpose of Minnesota Statutes, Chapter 103D. The Board further orders that all remaining funds and real property of the Thirty Lakes Watershed District be transferred, in proportion to the manner collected, to the Crow Wing County Land Services Director/Auditor within 60 days of the date this Order is filed with the Secretary of State and recommends the funds be transferred to Crow Wing County for the continued water quality testing within the boundaries of the District, as established prior to termination.

Dated at Saint Paul, Minnesota this 27th day of October, 2016.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By:



Brian Napstad

Brian Napstad, Chair