

ANNUAL REPORT 2019



LETTER FROM ADMINISTRATOR

From the Administrator:



On behalf of the Board of Managers and staff at CRWD I would like to share some highlights of projects and programs in 2019.

In 2019, CRWD wrapped up work on our new office facility in the Midway neighborhood of Saint Paul. The grounds include stormwater management practices with several rain gardens, tree trenches, pervious pavement and native plantings. An interactive exhibit illustrates an urban watershed and the Water Wildlife Exploration Game invites visitors of all ages to explore the grounds and learn about aquatic animals that live in the District.

Inside our large meeting space was used by over thirty outside groups. Fifty tours of the building were given, introducing many new visitors to the work of CRWD and the sustainable practices throughout our building. The new office has given us the capacity to support more staff who are doing great work. Five new full-time positions were added in 2019 to expand the work of each division.

The District was pleased to work with Parkview Center School, Roseville Area Schools, City of Roseville and Ramsey County on the Parkview School Clean Water Project. This underground system will capture and clean stormwater runoff upstream of the site before it reaches the Villa Park wetlands and Lake McCarrons, treating an estimated 12.5 million gallons each year.

The District worked closely with Minnesota United FC, the City of Saint Paul and RK Midway to make a bold commitment to sustainability and green infrastructure at Allianz Field. Every drop of rainwater and snow melt from the roof of Allianz Field is being captured and directed to a 675,000+ gallon storage tank below the Great Lawn. A smart hub then filters and disinfects the water, eventually distributing it throughout the site to irrigate trees and grass, conserving an estimated 2 million gallons per year.

Development of the District's 2020 Watershed Management Plan (WMP) began in 2019. Community conversations in the spring of 2019 engaged residents and stakeholders across the District. A Communications and Engagement Plan was completed to help achieve goals and priorities outlined in the 2020 WMP. This adaptive plan will be used to guide strategic communications and engagement priorities for the next decade.

In 2019 the District finalized the Como Lake Management Plan with input from residents and community partners. The plan builds on the past two decades of work around the lake with a specific focus on management within the lake. It was designed as a 20 year (2019-2039) adaptive management plan and will be updated every few years as short-term actions are implemented and evaluated.

I am proud of the work we accomplished with our many partners in 2019 and would like to express my appreciation to CRWD's Board of Managers and Citizen Advisory Committee; the Cities of Saint Paul, Falcon Heights, Maplewood, Roseville and Lauderdale; Saint Paul's District Planning Councils; Ramsey County and residents for your continued support in helping protect and improve water quality in our lakes and the Mississippi River.

Respectfully,

Mark Doneux

Mark Doneux, Administrator

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Curb cut residential rain garden.



CRWD staff with dragonfly at Dragonfly Bonanza, June 2019.



Native plants in rain gardens provide pollinator habitat. Photo: Sara Rubenstein
Cover photo, CRWD building and pocket park. Photo: Steve Silverman



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Saint Paul, Minnesota 55104
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OUR ORGANIZATION

Mission To protect, manage and improve the water resources of Capitol Region Watershed District (CRWD).

Vision CRWD achieves cleaner waters through strategic initiatives and partnerships, using:

- research-based, informed decision making,
- effective water quality rules and
- education and outreach to promote changed attitudes toward water quality stewardship.

Background

CRWD is a local, special-purpose unit of government that works to protect, manage and improve lakes, streams, rivers and wetlands of the District. The District covers 40 square miles and includes portions of the Cities of Falcon Heights, Lauderdale, Maplewood, Roseville and Saint Paul. All the water in the District eventually drains to the Mississippi River.

In 1998, a small group of dedicated citizens, concerned about water quality in Como Lake, petitioned the Minnesota Board of Water and Soil Resources to create CRWD. Some of the founding members are still active in the organization today on the Citizen Advisory Committee and Board of Managers. This is a testament to how much residents care about our local water resources.

CRWD staff, Board and CAC members at Minnesota Association of Watershed Districts 2019 Conference.



OUR ORGANIZATION

Watershed Management Plan

The District's Watershed Management Plan (WMP) was adopted on September 1, 2010. The WMP is the blueprint for the work of CRWD and includes goals and objectives, watershed data, standards, priorities and implementation plans. Development of the 2020 WMP began in 2019, and a new Plan will be adopted in September 2020. The 2020 WMP will build on previous CRWD experience, meaningful input from stakeholders and partners, and the District's recent Strategic Planning effort.

Finances

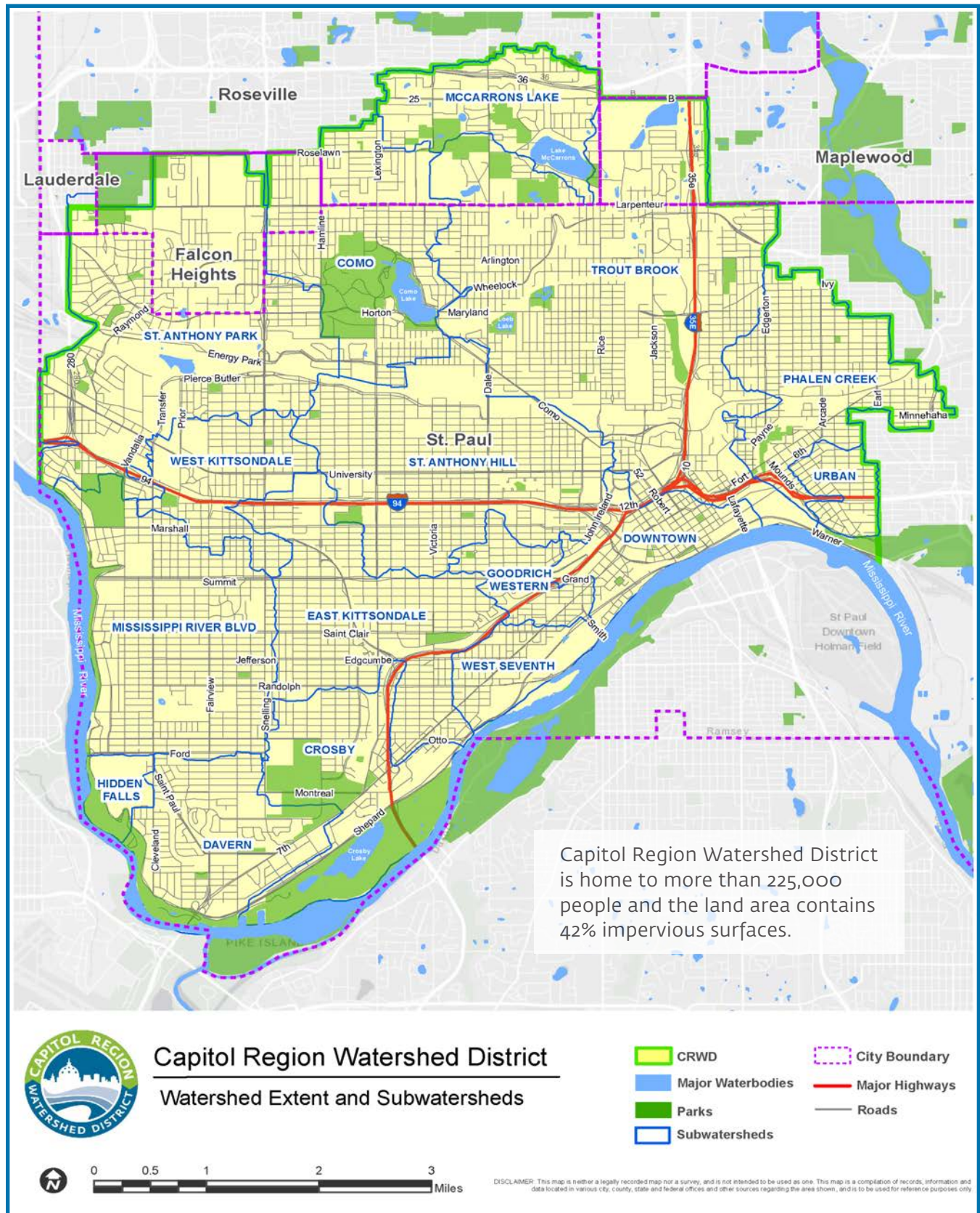
State statutes 103B and 103D provide watershed districts with the authority to levy property taxes and this amount is included on property tax statements. A budget is developed annually and approved after comments are received and a public hearing is held. The funds received through the property tax levy can be used for projects, grants, programs and administration as recommended in the WMP. More specific information on CRWD's finances and a copy of the 2019 Financial Statement and Audit can be found in Appendix C.



Native plants in rain gardens support pollinators and help absorb excess runoff.
Photo: Sara Rubenstein

OUR ORGANIZATION

District Map



OUR PEOPLE

Board of Managers

CRWD is led by a five-person Board of Managers that guides the implementation of goals and objectives set forth in CRWD's WMP. Board Managers are appointed by the Ramsey County Board of Commissioners and serve a three-year term.



Left to right: [Joe Collins](#), President | [Rick Sanders](#), Treasurer | [Mary Texer](#), Vice President | [Seitu Jones](#), Secretary | [Mark Doneux](#), Administrator | Not pictured: [Shawn Murphy](#), Manager

2019 Staff

[Mark Doneux](#), Administrator

[Anna Annim-Wilson](#), Administrative Assistant

[Britta Belden](#), Water Resource Project Manager

[Jessica Bromelkamp](#), Communications & Engagement Division Manager

[Anna Eleria](#), Planning, Projects & Grants Division Manager

[Bob Fossum](#), Monitoring & Research Division Manager

[Megan Frisvold](#), Outreach Assistant

[Rachel Funke](#), Urban BMP Technician

[Belinda Gardner](#), Administrative Assistant

[Elizabeth Hosch](#), BMP Inspector

[Mark Houle](#), Water Resource Technician

[Chris Kucek](#), Water Resource Technician

[Luke Martinkosky](#), BMP Inspector

[Forrest Kelley](#), Regulatory Division Manager

[Andrew Novak](#), Urban BMP Specialist

[Lindsay Schwantes](#), Community Outreach Coordinator

[Joe Sellner](#), Water Resource Technician

[Michelle Sylvander](#), Office Manager

[Mary Van Sant](#), Communications Associate

[Sarah Wein](#), Monitoring Coordinator

[Nate Zwonitzer](#), Water Resource Project Manager

Photos this page: Becca Dilley



OUR PEOPLE

Citizen Advisory Committee

The Citizen Advisory Committee (CAC) assists the Board of Managers with organizational development and strengthens connections between CRWD and its residents. Meetings are held the second Wednesday of each month and are open to the public.



2019 members, left to right: Bob Simonet, Pat Cavanaugh, Gwen Willems, Cheryl Braun, Mike MacDonald, Tom Elko, Steve Duerre, David Arbeit, and Mary Lilly. Not pictured: William Barton, Nicole Soderholm, Kathryn Swanson, Michelle Ulrich, Richard Weil and Carol Zierman.

Photo: Becca Dilley

2019 Consultants

106 Group, 1295 Bandana Blvd., Ste. 335, St. Paul, MN

Alliant Engineering, Inc., 233 Park Ave. S., Ste. 300, Minneapolis, MN

Applied Ecological Services, 21938 Mushtown Rd., Prior Lake, MN

Barr Engineering, 4300 MarketPointe Dr., Minneapolis, MN

CNA Consulting Engineers, 2800 University Ave. S.E. #102, Minneapolis, MN

Emmons & Olivier Resources, Inc., 651 Hale Ave. N., Oakdale, MN

HDR Engineering, 701 Xenia Ave. S., Ste. 600, Minneapolis, MN

Houston Engineering, Inc., 6901 East Fish Lake Rd., Maple Grove, MN

HR Green and Associates, 2550 University Ave. W., Ste. 400N, St. Paul, MN

Hansen Thorp Pellinen Olson, Inc., 7510 Market Place Dr., Eden Prairie, MN

HZ United, LLC., 3025 Harbor Lane, Ste. 121, Plymouth, MN

Inter-Fluve, Inc., 301 S. Livingston St., Madison, WI

ISG, Inc., 6465 Wayzata Blvd., Ste. 970, St. Louis Park, MN

Kimley-Horn and Associates, Inc., 767 N. Eustis St., Ste. 100, St. Paul, MN

Landbridge Ecological, Inc., 670 Vandalia St., St. Paul, MN

Landscape Architecture Inc., 856 Raymond Ave., Ste. C, St. Paul, MN

LHB Corp., 250 Third Ave. N., Ste. 450, Minneapolis, MN

LimnoTech, 7300 Hudson Blvd., Ste. 295, Oakdale, MN

Metro Blooms, 310 E. 38th St., Ste. 203, Minneapolis, MN

Nova Consulting Group, Inc., 1107 Hazeltine Blvd. #400, Chaska, MN

PAAP Drones, LLC., 14782 Hallmark Dr., Apple Valley, MN

RESPEC, 1935 West County Rd. B2, Ste. 320, Roseville, MN

SEH Inc., 3535 Vadnais Center Dr., St. Paul, MN

SGA Group, Inc., 5324 Clementa Ave. S.W., Waverly, MN

SRF Consulting Group, Inc., One Carlson Pkwy., Ste. 150, Plymouth, MN

Stanley Consultants, 5775 Wayzata Blvd., Ste. 300, Minneapolis, MN

Studio Gro, PLLC., PO Box 16169, Minneapolis, MN

Sunde Land Surveying, 9001 E. Bloomington Frwy., Ste. 118, Bloomington, MN

Tetra Tech, 413 Wacouta St., Ste. 435, St. Paul, MN

Wenck Associates, 1800 Pioneer Creek Center, Maple Plain, MN

Young Environmental Consulting Group, LLC., 915 Mainstreet, Ste. 4000, Hopkins, MN

RECOGNITION & AWARDS

2019 Recognition and Awards Ceremony

CRWD recognized the contributions of residents, community organizations and businesses as well as CAC members and staff at the 2019 Recognition and Awards Ceremony.

- 1 Watershed Citizen of the Year**
Erin Spry for improving Como Lake with volunteer clean-ups that removed nearly 200 lbs. of trash.
- 2 Watershed Partner of the Year**
Ramsey County Soil and Water Conservation Division for ensuring the ongoing success of CRWD's Stewardship Grant and Monitoring programs through outstanding partnership.
- 3 Watershed Project of the Year**
Minnesota United FC and the City of Saint Paul for their leadership in sustainability and green infrastructure innovation with the landmark rainwater reuse system at Allianz Field.
- 4 Watershed Outreach Program of the Year**
Parkview Center School's Water Project for connecting students and water through hands-on learning.
- 5 Young Watershed Steward Award**
Henry Welliver for organizing volunteers to plant a large rain garden that collects over 2,000 gallons of stormwater each year.
- 6 Lifetime Steward Award**
Shirley Reider for 17 years of dedicated service to the watershed through the Board of Managers and CAC.

CAC, Board and Staff Recognition

Joe Collins: Board Manager of 15 Years

Bob Fossum: Staff Member of 15 Years

Elizabeth Hosch: Staff Member of 5 Years

Sarah Wein: Staff Member of 5 Years

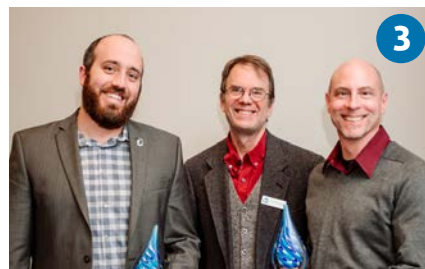
Elizabeth Hosch: CRWD Outstanding Employee of the Year



Bob Fossum and Manager Seitu Jones.



Elizabeth Hosch and Manager Mary Texer.



Photos this page: Becca Dilley

RECOGNITION & AWARDS

State and National Project and Program Presentations

In 2019, staff presented the work of CRWD at conferences throughout the country:

Mark Doneux

Upper Villa Stormwater Reuse Project

- Center for Watershed Protection's National Watershed & Stormwater Conference

Anna Eleria

Green Line Inspection and Maintenance

- The American Society of Civil Engineers Environmental & Water Resources Institute

Allianz Field Rainwater Reuse Project

- Minnesota Water Resources Conference

Bob Fossum

Curtiss Pond Project

- Central States Water Environment Federation Association's Annual Meeting

Lake McCarrons Sediment Coring

- North American Lake Management Society's International Symposium

Forrest Kelley

Upper Villa Stormwater Reuse Project

- The American Society of Civil Engineers Environmental & Water Resources Institute

Nate Zwonitzer

Central High School

- Freshwater's Water Summit

Andrew Novak

Bioretention Vegetation Health

- The American Society of Civil Engineers Environmental & Water Resources Institute

Joe Sellner

Automation and Telemetry

- The American Society of Civil Engineers Environmental & Water Resources Institute
- Minnesota Water Resources Conference

Monitoring Program Optimization

- National Water Quality Monitoring Conference

Sarah Wein

Green Performance Monitoring

- The American Society of Civil Engineers Environmental & Water Resources Institute
- Minnesota Water Resources Conference

Como Lake Monitoring Plan

- National Water Quality Monitoring Conference

Mark Houle

William Street Pond

- The American Society of Civil Engineers Environmental & Water Resources Institute

Lake McCarrons Sediment Coring

- Minnesota Water Resources Conference

CRWD's 2019 State, Regional and National Recognition

National Municipal Stormwater and Green Infrastructure Phase II Innovation Award

- Water Environment Federation

Rescape Community Impact Award for CRWD's Building

- Minnesota Brownfields

Rescape Environmental Impact Award Finalist for CRWD's Building

- Minnesota Brownfields

Best Watershed Movie Award for *Breathing New Life Into an Old Building*

- Minnesota Association of Watershed Districts



CRWD accepts Rescape Community Impact Award.

OUR WORK

CRWD Water Resources

All of the water in CRWD eventually drains to the Mississippi River through a complex series of underground stormwater pipes. The District includes five lakes: Como Lake, Crosby Lake, Little Crosby Lake and Loeb Lake in Saint Paul, and Lake McCarrons in Roseville. These lakes serve important recreational needs for CRWD residents and visitors, including fishing, boating and swimming. CRWD conducts water quality monitoring of District lakes in collaboration with Ramsey County Public Works, Ramsey County Soil & Water Conservation Division Parks & Recreation Department (RCSWCD) and the Minnesota Department of Natural Resources (DNR).

Groundwater is the water found below ground in the cracks and spaces in soil, sand and rock. In Ramsey County it is used for heating and cooling as well as manufacturing processes. Saint Paul Regional Water Services also augments water from the Mississippi River with treated groundwater to meet drinking water demands.

Only a few natural wetlands remain in the District because they were filled or altered during urbanization and development over the past century. Today, the largest wetland tracts include: Woodview Marsh located near Larpenteur Avenue in Roseville, Willow Reserve located near Maryland Avenue in Saint Paul and Villa Park wetland located northwest of Lake McCarrons in Roseville.

Como Lake

Located in the City of Saint Paul, Como Lake is a relatively shallow (approximately 16 feet deep), 70.5 acre lake located in a highly urbanized watershed. Como Lake and its associated parkland are a major regional recreational amenity within the metro area. The lake drains 1,856 acres of land in Saint Paul, Roseville and Falcon Heights.

Nonpoint source pollution in stormwater runoff is the most serious threat to the water quality of Como Lake because it carries sediment and nutrients — in the form of phosphorus from decomposing organic material and nutrients from lawn fertilizers — to the lake. Como Lake does not meet water quality standards for nutrients and is therefore listed as an impaired water body by the Minnesota Pollution Control Agency.

In 2017, CRWD conducted the *Como Lake: Water Quality Drivers Analysis Study* to better understand what factors are contributing to the poor water quality observed in Como Lake. Based on the results of this analysis, and in conjunction with additional monitoring, CRWD developed a new management plan for Como Lake that was adopted in May of 2019 to guide future management decisions. This plan focuses on adaptive



Compass Point at Como Lake. Photo: Sara Rubenstein

OUR WORK

CRWD Water Resources (cont.)

management of both external (projects outside of the lake that affect what enters the lake) and internal (projects inside the lake that focus on plants/animals/sediment conditions) actions that can be taken to achieve desired water quality goals.

Loeb Lake

Loeb Lake is a 9.7 acre lake with an average depth of nine feet and maximum depth of 28 feet. It is located in Marydale Park at the intersection of Maryland Avenue and Dale Street in Saint Paul. Loeb Lake is stocked with fish and is a Minnesota Department of Natural Resources Fishing in the Neighborhood program site. The most common species found in the lake is bluegill. Water quality is generally very good given its location in a highly urbanized subwatershed. While nutrients are relatively low to moderate year-round, nutrients such as phosphorus are still a concern for lake water quality.

In 2009, CRWD completed the Loeb Lake-Willow Reserve Management Plan, which defines critical water-related issues for Loeb Lake and recommends management goals and activities to address the issues. The plan also considers goals and activities for Willow Reserve, a wetland and wildlife preserve located northeast of Loeb Lake. In 2016, CRWD staff began restoration activities at Willow Reserve and finalized the Willow Reserve Restoration Plan. Restoration of the site, including invasive plant/tree removal, continued in 2019.

Crosby Lake and Little Crosby Lake

Crosby Lake and Little Crosby Lake are located within the floodplain of the Mississippi River and are part of a complex of wetland and forested areas associated with the Mississippi River Valley. The land surrounding Crosby Lake is collectively known as



Loeb Lake. Photo: Sara Rubenstein

OUR WORK

CRWD Water Resources (cont.)

Crosby Farm Regional Park and is managed by the City of Saint Paul's Department of Parks and Recreation. Crosby Farm is also part of the National Park Service's Mississippi National River and Recreation Area.

Crosby Lake is 45 acres in size with a maximum depth of 17 feet. Because the lake receives only a small amount of local drainage, the lake's water quality has generally been good with very good lake clarity. Little Crosby Lake is eight acres in size with an average depth of seven feet and a maximum depth of 34 feet. Little Crosby Lake is connected to Crosby Lake through an 825-foot-long marsh and bog area. In recent years, however, the water quality in both Crosby and Little Crosby Lakes has fluctuated due to extended inundations from Mississippi River flooding, which was also the case in 2019.

In 2012, CRWD completed the Crosby Lake Management Plan which includes management goals and implementation projects. The plan was reviewed by both technical and citizen advisory groups and approved by CRWD's Board in 2012.

Lake McCarrons

Lake McCarrons is a 75-acre lake located in the City of Roseville. With a maximum depth of 57 feet and a 34% lake littoral area, it supports a variety of activities including swimming, boating and fishing. Water quality in Lake McCarrons has generally been good since an alum treatment was completed on the lake in 2004. It has met all nutrient (total phosphorus, chlorophyll-a, and Secchi disk depth) water quality standards as defined by the Minnesota Pollution Control Agency since the alum treatment occurred.

In recent years staff began observing an increase in hypolimnetic (or bottom) phosphorus levels, which can increase surface phosphorus measurements and degrade water quality over time. In 2019, staff began the process of developing a new management plan for Lake McCarrons that will continue to focus on nutrient management and re-examine the effectiveness of the alum treatment for long-term lake water quality improvements. This plan will be finalized in 2020.



Lake McCarrons. Photo: Sara Rubenstein

OUR WORK

CRWD 2019 Projects

Projects with the logo received grant funds from the Minnesota Clean Water, Land and Legacy Amendment administered by the Minnesota Board of Water and Soil Resources (BWSR).

Midway Peace Park

In 2019, City of Saint Paul Parks and Recreation Department in partnership with the Trust for Public Land began construction of the Midway Peace Park. Expected to open in the summer of 2020, the park will bring welcomed green space to the Midway neighborhood and will serve as a community gathering space for a diverse array of neighbors including residents of the Skyline Tower, Green Line travelers, and students of the nearby Gordon Parks High School and High School for the Recording Arts. The Midway Peace Park will feature a play area, walking trails, local art, an outdoor amphitheater, a basketball court, and 73 new trees. Additionally, CRWD provided \$295,000 in grant funds to construct multiple innovative green infrastructure practices that exceed permit requirements. These features include rain gardens and a unique above-ground stormwater channel that captures

and recirculates rainwater. When complete, the park will provide storage and allow infiltration of over 370,000 gallons of stormwater.

CRWD Curb-Cut Rain Gardens

In 2019, CRWD continued the successful Curb-Cut Rain Garden program which began in the Hamline-Midway neighborhood of Saint Paul in 2014. Curb-cut rain gardens are becoming increasingly popular and the number of residents requesting a project for their property is on the rise throughout the District. CRWD constructed eight rain gardens within the City of Saint Paul right-of-way in 2019. The rain gardens capture polluted water from city streets and will remove an estimated 2 lbs. of total phosphorous, 1,200 lbs. of sediment, and over 500,000 gallons of runoff each year.



Rendering of Midway Peace Park playground with tiered stormwater channel to the right. Image: Landscape Structures

OUR WORK

CRWD 2019 Projects (cont.)

Sustainable Stormwater Management on the Ford Site

The Ford Site in the Highland Park neighborhood of Saint Paul represents a unique opportunity for redevelopment. A 21st Century Community will emerge on the over 122 acres of land situated along the Mississippi River. It will look to the future with clean technologies and high-quality design for stormwater, energy, buildings and infrastructure. The Ford Site Zoning and Public Realm Master Plan, which includes a comprehensive stormwater management approach, was adopted by the Saint Paul City Council in 2017.

In December of 2019, Ryan Companies purchased the land from Ford, after a year-long process to bring the Ford Site Vision to concept design. Work on-site to construct streets, utilities, and stormwater management practices will begin spring of 2020.

CRWD's New Office Space and Pocket Park

The District's new headquarters in the Midway neighborhood of Saint Paul (595 Aldine Street) is a focal point for sustainable design, development and education inside and out.

The renewed building, originally built in 1949, utilizes green building principles including stormwater management practices and energy efficiency measures to conserve natural resources, create a healthy workplace and protect the Mississippi River. Gathering spaces are available for community and partner organizations to use. A 3,000 gallon cistern captures water runoff from the roof for non-potable uses like flushing toilets and washing sample bottles. The smart hub system is connected to weather forecasting stations and gradually draws down the water before incoming storm events.



CRWD's new headquarters in Saint Paul. Photo: Steve Silverman

OUR WORK

CRWD 2019 Projects (cont.)

CRWD's watershed learning center will offer on-site educational opportunities to showcase its work to protect, manage and improve water resources including Como Lake, Crosby Lake, Little Crosby Lake, Loeb Lake, Lake McCarrons and the Mississippi River. Completed in summer of 2019 the pocket park combines natural and built environments with interactive elements to draw in neighbors and visitors. The interactive display demonstrates an urban watershed and uses captured rainwater from the interior cistern to illustrate the importance of allowing water to soak into the ground instead of flowing directly into storm drains. Several large rain gardens across the site capture water runoff from the grounds and tree trenches filter additional stormwater from the nearby streets. Pervious pavers in the east parking lot provide water quality benefits along with a demonstration for visitors. Native trees and vegetation were planted on the grounds and labeled for identification.

Como Subwatershed BMPs

For several years CRWD has been working with the City of Saint Paul to identify and prioritize regional Best Management Practices (BMPs) with a primary focus on opportunities within Como Park. A successful Targeted Watershed Grant application through the Board of Water and Soil Resources funded through the Clean Water, Land, and Legacy Amendment provided the funding needed for CRWD to advance designs for multiple BMPs and fast track their implementation. A feasibility study identified several opportunities that could be pursued immediately as well as projects whose construction could coincide with future planned park improvements.

In 2018, CRWD began designing two BMPs within Como Park that were identified in the feasibility study. The BMPs will treat runoff from the park as well as neighborhoods whose runoff goes through the park before flowing to Como Lake. Retrofitting a stormwater pond at the northwest corner of the golf course with an iron-enhanced sand filter bench was shown to be the most cost-effective BMP option.



CRWD owns and maintains the pond and the filtration bench would have minimal impact on the golf course making the project an ideal retrofit opportunity.

The second BMP being designed is an expansion of an existing infiltration basin designed to treat runoff from portions of Como Zoo. Expansion of this basin coupled with a large underground infiltration gallery in the golf course was identified as a cost-effective way to treat a large portion of runoff from Como Zoo as well as surrounding neighborhoods that drain into the same storm sewer. Design of these BMPs continued in 2019 but construction was delayed from fall 2019 through spring 2020 due to concerns with high water conditions and potential wetland impacts at a landlocked pond near Hole 8 of the golf course.

Allianz Field Comprehensive Stormwater Management System

The City of Saint Paul and CRWD forged a partnership in early 2016 to investigate the feasibility of building a shared stormwater management system for the entire 35-acre Snelling and University superblock as part of the soccer stadium construction.



In 2019, MN United FC completed construction of Allianz Field including a storm sewer network and installation of a comprehensive stormwater management system. A rainwater harvesting and reuse system beneath the Great Lawn on the north side of the stadium captures runoff from the roof of Allianz Field in an approximately 675,000-gallon tank. The tanks are oversized to capture rainwater from the roofs of future buildings. The captured rainwater is processed through a smart hub that filters and disinfects the water. This smart hub can read weather forecasts to predict rainfall and adjust water levels accordingly, achieving pollutant reduction goals in the process. The clean water is then distributed throughout the site for irrigating trees and grass. Irrigated boulevard trees are planted in engineered soil trenches to capture and clean polluted runoff from roadways and sidewalks before discharging

OUR WORK

CRWD 2019 Projects (cont.)

to the Mississippi River. Connecting new developments with the landmark water system will also provide these businesses with a source of filtered water for uses such as laundry, irrigation, or restroom flushing.

The system was commissioned and operational for irrigation in spring 2019. CRWD and the City of Saint Paul entered into an agreement for CRWD to assist with the contracting of operation and maintenance activities of the rainwater filtration system. It is expected that this will be effective starting 2020, with CRWD contracting with Harris Company.

Seminary Pond Stormwater Improvement Project

Several years ago, CRWD completed a project to improve flood control and pollutant removal of Seminary Pond, a regional stormwater pond built in 1992 in Lauderdale. The pond serves a 128-acre drainage area in the Cities of Lauderdale and Falcon Heights, Ramsey County and the University of Minnesota. Proposed pond improvements include converting Seminary Pond from a dry pond to a wet pond by deepening the pond and raising the berm and installation of an iron-enhanced sand filter along the pond edge to remove dissolved phosphorus. Besides improvements to the pond, the ravines upstream of the pond will be stabilized to prevent sediment from reaching the pond in the first place. In 2019, CRWD and the City of Lauderdale worked on the design and engineering of the pond improvements and anticipate wrapping it up by winter 2020. Construction will commence in fall 2020.



Willow Reserve Restoration

Willow Reserve is a 23-acre bird and wildlife reserve located along Maryland Avenue between Arundel and Virginia Streets. The reserve was established by a neighborhood group and the City of Saint Paul in the 1960s. The wetland is fed by water from the Trout Brook storm sewer system and provides flood protection for the surrounding community. The City of Saint Paul owns and manages the property. CRWD, the City of Saint Paul and the District 6 Planning Council met with residents on several occasions to discuss the project and gather input to develop the Willow Reserve Restoration Plan. The goals of the plan are to remove invasive trees and plants and create more diverse plant communities to support local wildlife including birds, amphibians and insects.

Project construction began in the winter of 2016-2017 with the removal of invasive trees at the reserve. Those trees were either chipped and used for new trails, burned onsite or hauled offsite. Some of the tree material was even used in the construction of CRWD's new office!

Invasive plants including buckthorn, reed canary grass, Japanese knotweed, and burdock were managed during the 2017-2019 growing season. In late-summer and fall of 2018, native trees, shrubs, and emergent vegetation were planted in key areas of the reserve. Supplemental seeding and planting with habitat-specific seed mixes also occurred throughout the site in 2019. Monitoring and maintenance of plantings, seeding, and re-growth of undesirable species will occur throughout 2020. Long-term management will be required to ensure the plants are successful and the invasive species do not return.

Native plant restoration at Willow Reserve in Saint Paul.



OUR WORK

CRWD 2019 Projects (cont.)

Parkview Center School Clean Water Project

Parkview Center School was identified as a potential regional stormwater treatment site in subwatershed analyses for Lake McCarrons. A successful Targeted Watershed Grant application through the Board of Water and Soil Resources funded through the Clean Water, Land, and Legacy Amendment allowed CRWD to further evaluate the site for water quality improvement potential. A feasibility study completed in 2017 found that due to high groundwater and poor soils a filtration project was the preferred BMP.



From 2018–2019, CRWD developed designs for the filtration system to be installed at the bottom of the steep slope east of the school's parking lot. In late 2019 the first phase of construction was completed. This involved installing a series of ten-foot diameter pipes, filtration system, and storm sewer on the school's property. Eventually the system will treat water diverted from the County Road B storm sewer servicing approximately 46 acres. A total of 53 filter cartridges will remove pollutants including dissolved phosphorus from the stormwater before it returns to the storm sewer and eventually flows to Villa Park and Lake McCarrons. In spring 2020 the connections to the County Road B storm sewer will be installed and the project will be active. The million-dollar project is estimated to remove over 45 pounds of phosphorus per year.



Parkview Center School Clean Water Project construction. Photo: Sara Rubenstein

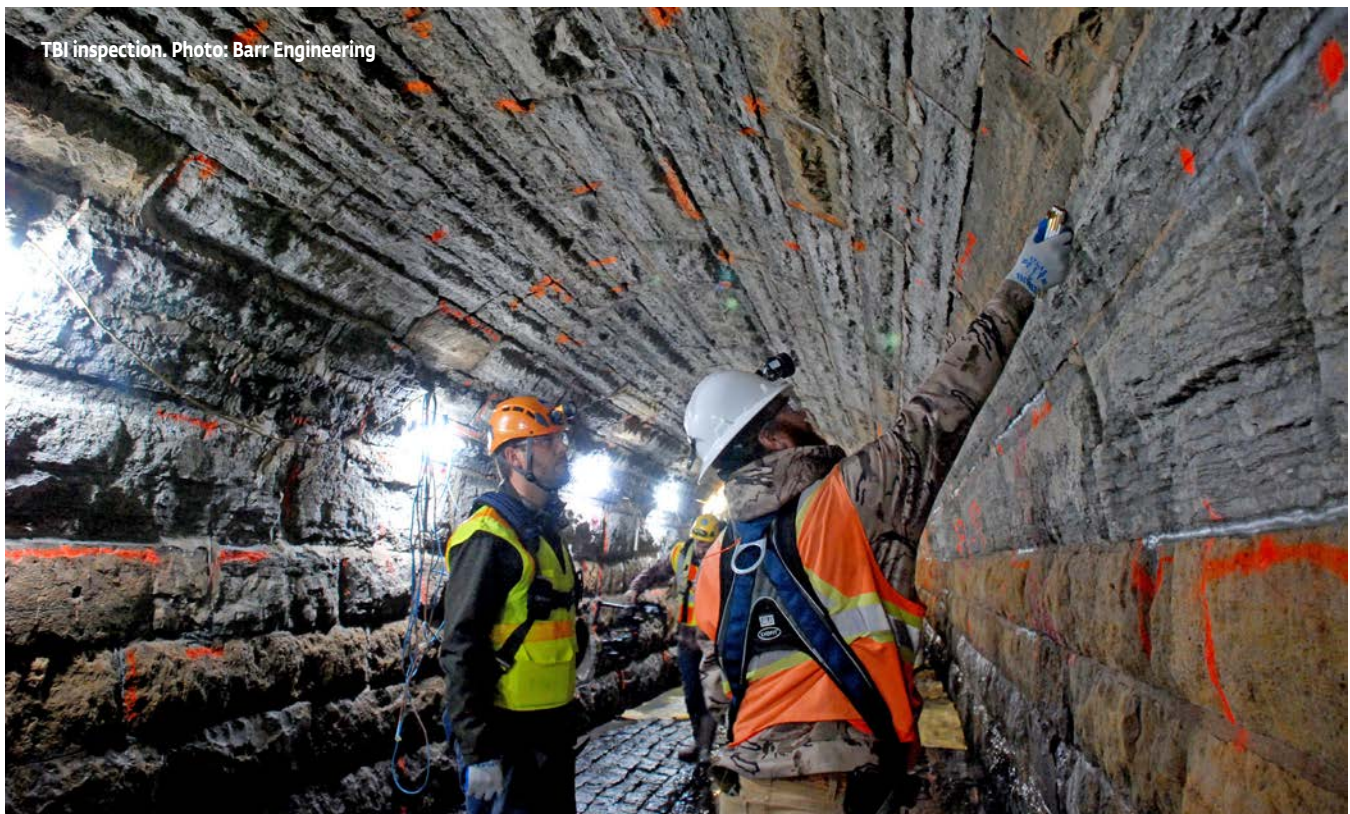
OUR WORK

CRWD 2019 Projects (cont.)

Trout Brook Storm Sewer Interceptor

CRWD owns, operates and maintains the Trout Brook Interceptor (TBI), which receives runoff from the Cities of Saint Paul, Roseville, Falcon Heights and Maplewood as well as Ramsey County and the Minnesota Department of Transportation. The system was constructed between the 1880s and 1950s and served as a combined sanitary and storm sewer system. TBI ranges from 5 to 11 feet in diameter and tunnel shapes include circular, rectangular and horseshoe. The systems were separated in 1988. Today, TBI carries rainwater and snowmelt from city streets, parking lots and other hard surfaces to the Mississippi River.

In 2019, CRWD retained an engineering consultant to conduct a condition inspection of 31,300 feet of TBI in order to compare the current conditions to past inspections and identify changes in condition over time. CRWD was able to use this information to prioritize how maintenance and repairs should be incorporated into the District's 11-year Capital Improvements Plan.



TBI inspection. Photo: Barr Engineering

OUR WORK

2019 Communications and Engagement

General Outreach

The goals of the Communications and Engagement Program are to reduce nonpoint source pollution, and to increase clean water knowledge, participation and action among CRWD residents and partners to protect our water resources. The District organized outreach for adults and youth in partnership with numerous community organizations and CRWD's member cities. Staff, partners and volunteers collaborated with nearly 11,000 residents as part of over 70 public events, trainings, presentations, resource assistance, school visits, field trips and tours within the District.

Adopt-a-Drain

CRWD continued to partner with Hamline University's Center for Global Environmental Education and the City of Saint Paul to implement the Adopt-a-Drain program. Participating residents adopt storm drains and keep them free and clear of debris. They are asked to

report the amount of material collected throughout the year. The results are used to determine the program's collective impact on water quality. In 2019, the program had over 425 new signups and there are now nearly 2,500 storm drains adopted by Saint Paul residents. In 2019, volunteer efforts reported removing over 15,000 pounds of material, which equates to over six pounds of total phosphorus from entering storm drains and flowing into the Mississippi River.

In fall 2017, the Adopt-a-Drain program was expanded to include the community surrounding Lake McCarrons in the City of Roseville. CRWD continued to support the program in 2019 and there are now 92 storm drains adopted. Volunteer actions resulted in an estimated 400 pounds of debris prevented from reaching Lake McCarrons.

CRWD will continue to work with program partners to improve and expand the reach of Adopt-a-Drain to new communities of the District.



Urban Roots youth interns lead buckthorn walking stick creation and a "what does the river mean to you" photo booth for 600 community members at Hidden Falls Regional Park for National Public Lands Day.

OUR WORK

2019 Communications and Engagement (cont.)

Master Water Stewards

CRWD completed its fourth year of the Master Water Stewards program in partnership with Freshwater. The program trains, certifies and supports community leaders to install clean water projects that educate community members, reduce pollutants from urban runoff and allow more water to soak into the ground instead of flowing into storm drains and the Mississippi River.

As of 2019, 277 residents have partnered with watershed districts, management organizations and cities throughout the Twin Cities Metropolitan Area to participate in this training program. CRWD sponsored five new Stewards and continued to support 11 individuals who have completed the certification and live within the District. Training courses for the 2019 class concluded in April. After finishing the training curriculum, Stewards began their Capstone Projects. Projects included two residential rain gardens. The graduated stewards reported over 180 hours of volunteer services that included tabling and education at various community events or farmers markets and water related training and consultations for friends and neighbors.

Metro Watershed Partners

CRWD is a member of Watershed Partners, a coalition of more than 70 organizations working to

educate and inspire residents to protect Minnesota lakes and rivers. Cleanwatermn.org features seasonally-appropriate stories about metro area residents taking action at home and in their lives to keep Minnesota waters clean. Twelve stories were written for partners to use in communications via social media, websites and newsletters in 2019. A system of trackable links allows partners to measure engagement. The website also features an interactive “Find my Watershed” map tool, calls to action, educational resources and a list of partners.

Adopt-a-Drain launched a new website (adopt-a-drain.org) and was expanded metro wide in 2019. Program membership almost tripled in the first year to nearly 6,000 participants. The expansion continues to elevate the program’s visibility and encourage CRWD residents to participate. In addition to the website, customizable print and electronic resources are available for partners to promote the program. Adopt-a-Drain also has a growing presence on social media reaching nearly 60,000 people from August to December 2019.

Watershed Partners worked with Hamline University to host the Adopt-a-Drain signup and photo booth and exhibit in the Eco Experience building at the Minnesota State Fair. The building hosted approximately 267,000 visitors during the fair in 2019. Nearly 8,700 photos were



Residential rain garden designed by a Master Water Steward. Photo: Sara Rubenstein

OUR WORK

2019 Communications and Engagement (cont.)

taken in the photo booth and over 731 people signed up to Adopt-a-Drain. Fifty percent of the people who took photos shared them on social media.

Winter Roads and Turfgrass Maintenance Workshops

CRWD partnered with Fortin Consulting to host Winter Roads Maintenance Workshops to certify 13 Saint Paul Public Works snowplow operators. The District also hosted one-hour refresher sessions for all previously certified Saint Paul Public Works employees as part of their annual training day. The workshops highlight the importance of reducing the amount of salt used to keep our streets safe and application techniques to achieve chloride reductions.

New Website

In March 2019 CRWD launched a new website to better serve District residents and partners. The new site (capitolregionwd.org) has several new or enhanced features including an events calendar, project pages, interactive embedded maps for projects and active permits, applications for grants and permits linked to an online database, user-friendly design, and blog posts. In 2019, CRWD expanded digital communications by adding social media platforms Twitter, Instagram and LinkedIn and re-establishing a District newsletter.

Our Sacred Water, a digital storytelling project by InProgress that raises understandings of environmentalism from an Indigenous perspective.



protect our water

Indigenous people represent the oldest nations in the world. We have learned from our elders, our parents and our mentors that we must all work together to care and maintain our water resources for the generations yet to come. As Indigenous youth, we stand together in reminding us all that water is everything.

created by Alexander Erickson, Kimimila Wahpepah, Rocky Erickson, Xicintli Quiroz the artists of OUR SACRED WATER

OUR WORK

CRWD Grant Programs

Stewardship Grants

CRWD values collaboration with individuals and organizations. We view the involvement of all residents as important to improving water resources in the District. Through the District's grant programs, we hope to encourage a strong ethic of water resource stewardship among residents.

Goals of the Stewardship Grant program are to:

1. Improve water quality,
2. Increase groundwater recharge,
3. Protect plant and wildlife communities and
4. Raise stormwater pollution prevention awareness among residents.

Grants are available to residents of the District as well as governmental agencies, businesses, schools and nonprofit organizations that are located and/or conduct work in the District. CRWD also offers free technical assistance for designing rain gardens and shoreline restoration projects.

In 2019, 12 grants totaling \$175,309 were awarded through the Stewardship Grant program for projects throughout CRWD. Projects included rain gardens, permeable pavement, boulevard curb-cut gardens and an underground infiltration system. Site evaluations and Clean Water Plans with proposed BMPs were completed for 132 participants and construction plans were developed for 24 future projects. BMPs are activities, practices and structures that reduce the impacts of stormwater runoff. Installations included a series of large boulevard rain gardens with innovative pre-treatment structures designed to capture sediment. These structures will drastically reduce the time needed for maintenance and improve the longevity of the rain gardens. We also issued a Stewardship Grant for an innovative underground infiltration system that utilizes shredded radial tires. The recycled material is used to provide the structure required to hold large trucks under the parking area, while also providing pour space throughout the material sufficient to capture and hold an enormous amount of stormwater runoff.



Pre-treatment structure to capture sediment for curb-cut rain garden.

OUR WORK

CRWD Grant Programs (cont.)

2019 Water Quality CIP Grants

CRWD issued three Water Quality Capital Improvement Project (CIP) Grants in 2019. The historic Guardian Building hosts the non-profit Zero Abuse Project which approached the District about a bio-solar roof project. This green roof with solar arrays will reduce stormwater runoff, provide pollinator habitat and decrease the temperature of the roof, allowing the solar panels to operate more efficiently. The project was near completion at the end of 2019 and will be fully operational in early 2020.

The Neighborhood Development Center also received a grant for a redevelopment project at the north west corner of University Avenue and Dale Street in the Frogtown neighborhood of Saint Paul. The redevelopment project will provide commercial and office space as well as affordable housing adjacent to the light rail system. Multiple sources in addition to CRWD will provide funding for environmentally-friendly

components such as permeable pavers, cisterns for rainwater use, underground stormwater treatment, and a green roof over a portion of the new building. Construction is anticipated to occur from 2020-2021.

Finally, CRWD was excited to partner with Springboard for the Arts and their new headquarters SpringBOX at the former Saxon Ford dealership on University Avenue west of Marion Street in Saint Paul. The non-profit will use this space to host markets, provide services and trainings to the community, assist with job placement, and provide other resources to local artists in the Twin Cities. CRWD's grant will support a rain garden, rainwater harvesting, and artistic signage. Construction started in 2019 and is expected to be completed by mid-2020.

Two previous CIP Grant projects were completed in 2019. Saint Paul Parks and Recreation completed habitat restoration at several key areas around the north end of Como Lake. This involved coordinating



Bio-solar roof installation at Zero Abuse Project. Photo: Sustology

OUR WORK

CRWD Grant Programs (cont.)

volunteers, removing invasive species and installing seed and live plants to establish native lakeshore, oak savanna and oak woodland habitat. Additionally, two redevelopment projects coordinated by the Rondo Community Land Trust and Community Housing Development Corporation were completed. Both sites were located on Selby Avenue in Saint Paul (near Victoria Street and Milton Street), and both are providing affordable senior housing as well as affordable commercial space for small, locally-owned and minority owned businesses. CRWD grant funds supported underground infiltration to treat roof and parking lot runoff for these properties in an area with very little storm sewer infrastructure.

Well-Sealing Grants

Abandoned wells pose a threat to public health since they provide a direct pathway for contaminants to enter

2019 Grants

Twelve Stewardship Grant awards: \$175,309

Three Water Quality CIP Grant awards: \$314,500

Eight Well Sealing Grant awards: \$5,912

Thirteen Partner Grant awards: \$102,040

groundwater. Groundwater is a source of drinking water for thousands of people in the metro area. Abandoned Well Sealing Grants are available to residents within the District who have a well that is no longer in use on their property. Wells must be sealed by a licensed well contractor. In 2019, eight Well Sealing Grants were awarded, totaling \$5,912.



Habitat restoration at Como Lake.

OUR WORK

CRWD Grant Programs (cont.)

Partner Grants

CRWD Partner Grants range from \$2,000 to \$20,000 and are awarded to organizations that share our mission to reduce polluted runoff and provide clean water education to residents of the District. The District gives priority to projects that help meet goals outlined in its *Communications and Engagement Plan*.

Project Name	Description	Grant Award
District 6 – North End Neighborhood Organization	Meet Willow Reserve	\$2,975
District 10 – Como Community Council	Como Lake Clean-up	\$2,420
District 11 – Hamline Midway Coalition	Building Community Through Clean Water Education	\$3,125
Friends of the Mississippi River	Youth Environmental Stewards Program and Trout Brook Initiative	\$9,070
Frogtown Green	Splashdown! Water Stewardship in Frogtown	\$8,050
Frogtown Farm	Cultivating Water Ambassadors at Frogtown Farm	\$7,000
Great River Greening	Field Learning for Teens in CRWD	\$12,000
In Progress	Our Sacred Water	\$13,190
Parkview Center School	Parkview Water Project	\$5,850
Public Art Saint Paul	eARTh Lab Summer Youth Workshops	\$8,000
Saint Paul Parks and Recreation	Parks Ambassadors Program	\$5,000
Urban Roots	Youth Conservation Internships	\$15,000
We All Need Food and Water	Water Heroes	\$10,360
TOTAL		\$102,040



We All Need Food and Water's Water Heroes at CRWD headquarters.

OUR WORK

Water Quality Monitoring

Since 2005, CRWD has monitored stormwater quantity and quality from its 40-square-mile watershed in Saint Paul, Roseville, Maplewood, Falcon Heights and Lauderdale, which eventually drains to the Mississippi River. CRWD is highly urbanized with 225,000 residents and approximately 42% impervious land cover.

Finalized at the end of 2018 and used extensively in 2019, the online Water Data Reporting Tool was developed by CRWD Monitoring, Research, and Maintenance staff. This new website provides an online interface to obtain data for all monitoring stations in CRWD, as well as provide customizable reporting.

Find the Water Data Reporting Tool online:

capitolregionwd.org/monitoring-research/data

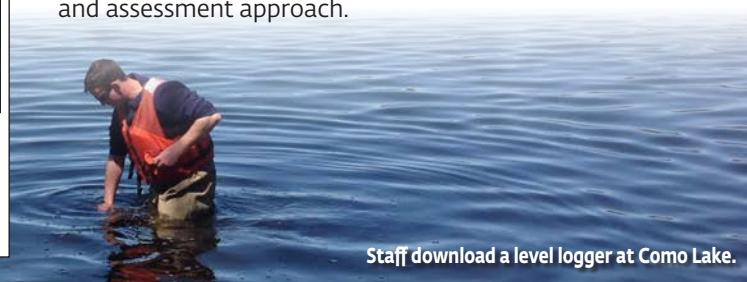
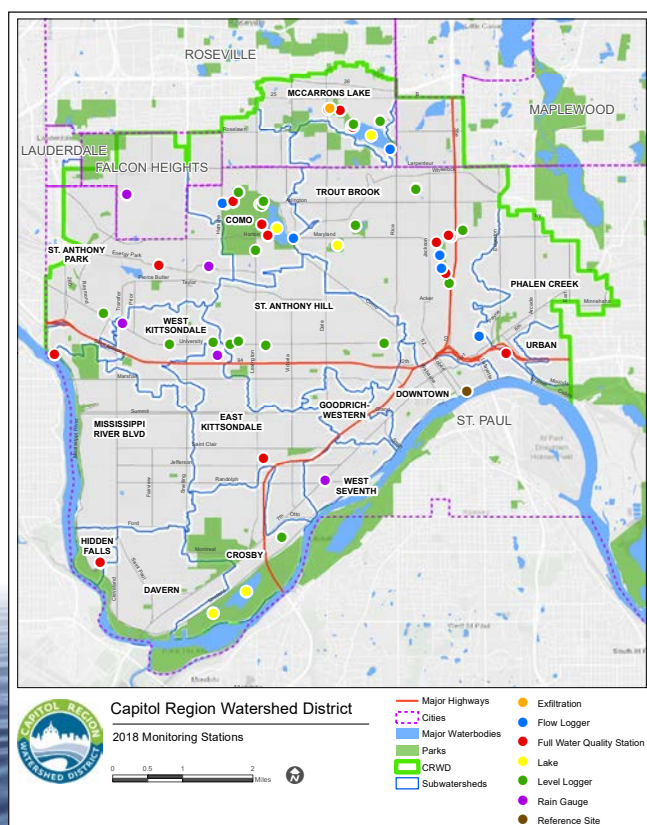
Monitoring locations

Of the 16 major subwatersheds in CRWD (see map below), seven are currently monitored for water quantity and quality (St. Anthony Park, Hidden Falls, East Kittsondale,

Phalen Creek, Trout Brook, McCarrons and Como). Within the monitored subwatersheds, CRWD collected water quality and quantity data at 16 monitoring sites in 2019. At nine of these stations, samples were collected during baseflow and stormflow periods. Samples were only collected during stormflow periods at the remaining six stations, as these do not contain any baseflow. Water quality samples from all monitoring stations were analyzed for nutrients, sediment, metals and bacteria, which are used to calculate total pollutant loading.

Additionally, CRWD monitored water quality in the five District lakes (Como Lake, Crosby Lake, Little Crosby Lake, Loeb Lake, Lake McCarrons) in partnership with Ramsey County Public Works Department (RCPW), Ramsey County Soil & Water Conservation Division Parks & Recreation Department (RCSWCD) and the Minnesota Department of Natural Resources (DNR). CRWD collected continuous level data on Como Lake, Crosby Lake, Loeb Lake and Lake McCarrons from roughly April through November. Lakes were sampled by RCPW bi-monthly April through October for nutrients, water clarity, chlorophyll-a, phytoplankton and zooplankton. RCSWCD worked with CRWD to conduct macrophyte and biovolume surveys of each lake, which included plant species identification and estimations of relative plant abundance.

CRWD monitored 10 District wetlands in 2019 for plants. Previously, the plant and macroinvertebrate data collected was used to determine an Index of Biological Integrity (IBI) for each wetland, which evaluates and indicates general wetland health on a numerical scale based on other large depressional wetlands in Minnesota. In 2015, CRWD began monitoring only aquatic plants in order to use the Floristic Quality Assessment (FQA) method of monitoring and assessing District wetlands. The FQA was developed by the Minnesota Pollution Control Agency in 2012 and is currently used as the agency's main wetland monitoring and assessment approach.



Staff download a level logger at Como Lake.

OUR WORK

Water Quality Monitoring (cont.)

2019 Climatological Summary

The 2019 calendar year was the wettest year on record in the Twin Cities, with 38.79 inches of precipitation recorded in CRWD. This was 8.18 inches above the 30-year normal. The most intense rainfall period of 2019 occurred from August 13 to August 20. These eight consecutive days contributed over 12% of the yearly total with 4.7 inches, including the highest rainfall amount in one day with 2.87 inches on August 18. Overall, the winter of 2018-2019 (November 1, 2018-March 31, 2019) recorded above-normal snowfall. The snowfall total of 75.4 inches in this time frame occurred mainly during February and March, and there was not a consistent snowpack until early February. January and February generally stayed below freezing, while March generally stayed above freezing, causing the snowpack to melt off by the end of the month. Area lakes exhibited average ice off timeframes, which occurred around April 8.

Lakes Results Summary

In 2019, water quality varied in each of CRWD's five lakes but was generally similar to measured water quality in 2018. Como Lake failed to meet the state eutrophication standards for total phosphorus and chlorophyll-a, and was therefore considered impaired in 2019. Como Lake has never met the eutrophication standard for total phosphorus, rarely met the standard for chlorophyll-a, but generally met the standard for Secchi disk depth for the history of monitoring. Crosby Lake and Little Crosby Lake did not meet the state eutrophication standard for total phosphorus in 2019, and Little Crosby also did not meet the standard for chlorophyll-a. Both lakes have generally not met the total phosphorus standard in recent years, but historically have met the standards for chlorophyll-a and Secchi disk depth. Poorer water quality in 2019 is a result of extensive river flooding in the spring and early summer. Loeb Lake and Lake McCarrons met all eutrophication standards in 2019. Loeb Lake has met the eutrophication standards for its entire monitoring history, and Lake McCarrons has met the standards since alum treatment occurred in the lake in 2004.



Staff process macroinvertebrate samples from the Trout Brook Nature Sanctuary stream channel.



Staff measure dissolved oxygen in the Villa Park wetland pond, upstream of Lake McCarrons.

OUR WORK

BMP Maintenance and Monitoring

Stormwater Best Management Practices (BMPs) are activities, practices and structures that reduce the impacts of stormwater runoff. CRWD owns and/or operates many stormwater BMP structures throughout the watershed, including 18 constructed in the Como Lake Subwatershed and 14 along the Green Line on University Avenue in Saint Paul.

Regular inspection and maintenance of all the BMPs and pretreatment units is coordinated by CRWD. Maintenance is crucial to ensure the BMPs are functioning properly. CRWD receives assistance with maintenance of some of the BMPs from citizen volunteers and other government entities. In 2019, most of the maintenance was completed by a private contractor who is experienced with the construction and maintenance of stormwater BMPs.

Arlington-Pascal Stormwater Improvement Project

The BMPs constructed in the Como Lake Subwatershed were built as part of the Arlington-Pascal Stormwater Improvement Project — in collaboration with the Cities of Falcon Heights, Roseville and Saint Paul and Ramsey County — that aimed to reduce localized flooding and improve the water quality of Como Lake.

BMPs constructed include an underground stormwater storage and infiltration facility, a regional stormwater pond, eight rain gardens and eight underground infiltration trenches. The underground stormwater facility and infiltration trenches have pretreatment devices (a hydrodynamic separator, sumped catch basins and manholes) incorporated into their design to provide treatment of stormwater runoff by capturing trash, debris, oils and sediment before they flow into the BMP. These pretreatment units help maintain the performance of BMPs by removing pollutants and infiltrating stormwater runoff.

Since 2007, CRWD has collected water quality and quantity data on several BMPs constructed for the Arlington-Pascal project. BMPs are monitored to determine their overall effectiveness at reducing stormwater runoff and pollutant loads. Monitoring data was used to calibrate a water quality model that simulated the amount of stormwater runoff and pollutants flowing to and from all 18 of the Arlington-Pascal Project BMPs. Modeling efforts are necessary because Minnesota winters prohibit monitoring data from being collected year-round.



Staff monitor and sample gross solids (trash, organic, matter, sand and gravel) in storm sewer inlets.

OUR WORK

BMP Maintenance and Monitoring (cont.)

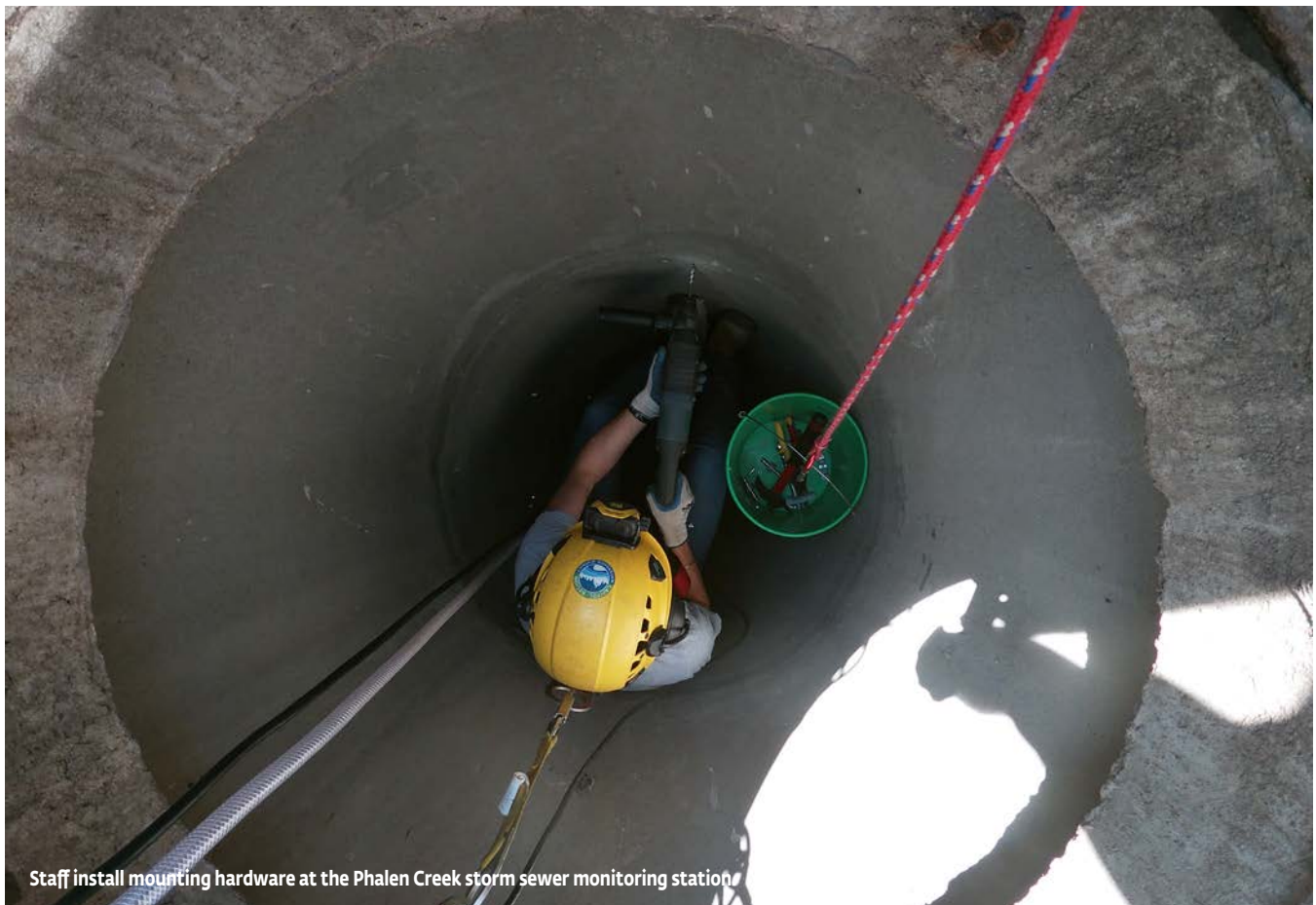
This data, in addition to construction, design, operation and maintenance costs, was used to determine the cost-benefit ratio (the cost per pound of pollutants removed and the cost per unit of volume reduction) of each BMP. This data is presented in CRWD's *BMP Performance and Cost-Benefit Analysis: Arlington-Pascal Project 2007-2010*, published in spring 2012.

CRWD undertook additional monitoring efforts to determine the amount of gross solids (trash, organic matter, sand and gravel) that accumulated within the Arlington-Pascal Project BMPs as well as the gross solids captured by BMP pretreatment units. The amount of phosphorous contained in the gross solids was also determined. The results of this study were incorporated into the BMP performance analysis mentioned above. Detailed results can be found in CRWD's *Arlington-Pascal Project: Gross Solids Accumulation Study*, published spring 2012.

CRWD conducts monthly inspections to ensure the BMPs are functioning as designed and a private contractor performs maintenance of the Arlington-Pascal curb-cut rain gardens. Mulch replacement, gross solids removal, and plant health are the most frequent maintenance needs. Maintenance crews have removed over 4,000 gallons of gross solids from the rain gardens since they have been built. Maintenance needs have generally decreased over the years as the rain gardens become more established.

Green Line Project

CRWD, the City of Saint Paul, the Metropolitan Council (Met Council) and Ramsey County forged a partnership with a commitment to improve stormwater management, enhance the urban tree canopy and transform the aesthetics of the Green Line corridor using highly visible green infrastructure practices. Four types of green infrastructure practices



Staff install mounting hardware at the Phalen Creek storm sewer monitoring station.

OUR WORK

BMP Maintenance and Monitoring (cont.)

were constructed from 2010 to 2013 along University Avenue: an integrated tree trench system, rain gardens, stormwater planters and infiltration trenches. These practices incorporate natural landscape features and hydrologic processes to treat stormwater by allowing it to soak into the ground. They also integrate with the character and values of the surrounding community and serve as educational tools that help raise community awareness of stormwater.

CRWD has estimated that annually the entire project will reduce post-construction stormwater volume by over 50% or 134 acre-feet, sediment load by nine tons and phosphorus load by 109 pounds to the Mississippi River. This project contributes to the overall pollutant load reductions required by the state for this section of the Mississippi River. In 2014, CRWD developed a long-term monitoring plan of the Green Line BMPs to validate the estimated pollutant reduction projections. The Green Line monitoring plan will be ongoing for up to five years. In 2019, staff collected monitoring data for three rain gardens, four stormwater planters, two tree trenches and three rain gauges within the Green Line Project. Eventually, the data will be compiled and analyzed to determine BMP performance and the cost-benefit of each BMP.

CRWD conducts monthly inspections to ensure that the BMPs are functioning as designed. Maintenance of the fourteen rain gardens and stormwater planters is performed bi-monthly by a private contractor. Trash and sediment removal along the Green Line are common maintenance needs. Trash is listed as a concern during over 60% of inspections, and sediment is a concern over 50% of the time. More than 20% of the plants in the rain gardens and stormwater planters have required replacement, likely because the highly urbanized landscape lends to warmer runoff temperatures and higher pollutant loads than many plants can withstand. More details regarding the inspections and maintenance of the Green Line are available in the *2019 Green Line BMPs Inspection and Maintenance Analysis Report*.

Highland Ravine

Highland Ravine is a 50-acre woodland bluff area that rises from Lexington Avenue up to Edgumbe Road with residential properties residing at its top and base and City of Saint Paul parkland to the south. While the bluff is a naturally steep slope, it has been incised with gullies over time because of natural groundwater springs and stormwater runoff. In recent years groundwater springs have been a constant source of water flowing nearly year-round. In response to concerns raised by citizens, CRWD completed a slope stabilization and restoration project in 2014. The stabilization practices constructed included rock grade control structures to slow down runoff, brush bundles for stabilizing the side slopes and a stormwater pond in the north ravine to detain runoff and allow sediment to settle out before runoff discharges to the local storm sewer system.

Maintenance of the Highland Ravine stabilization project is performed by a private contractor. The maintenance crews focus on stabilizing the ravine through invasive species removal and native vegetation establishment. CRWD inspects the ravine regularly to ensure that restoration goals are being met.

Stewardship Grants

Hundreds of BMPs have been installed throughout CRWD as a result of the Stewardship Grant program. Each project owner is responsible for the maintenance of their own respective BMPs. CRWD conducts annual inspections of projects that have been completed in the past five years to ensure maintenance agreements are being upheld and provides feedback and technical assistance to grant recipients. In 2019, CRWD inspected 89 Stewardship Grant BMPs. 93% of these BMPs received an "A" or "B" rating, meaning that no or few improvements were needed to meet BMP design performance. The most common maintenance needs for Stewardship Grant BMPs were weed removal and inlet cleanout.

OUR WORK

2019 Watershed Rules and Permitting

Watershed Rules

Water quality and stormwater management rules (Rules) were originally adopted by CRWD in September 2006. The Rules require stormwater management permits for projects disturbing more than one acre of land. Most of CRWD is fully developed, making it necessary to utilize stormwater improvement practices as part of redevelopment projects to reduce pollution flowing into CRWD's lakes and wetlands and the Mississippi River. To achieve CRWD's goal of cleaner water resources, the Rules require volume reduction practices that capture 1.1 inches of rainfall over newly constructed impervious surfaces. This is most often achieved by infiltration of runoff into the soil. The most recent Rule revisions were adopted by the Board of Managers in June 2019 to include the following:

1. Revise language under freeboard requirements for increased clarity.
2. Increase the maximum rainfall depth to a BMP allowed for credit from 2.0" to 2.5".

3. Add language to allow for regional compliance.
4. Revise language to allow for electronic submittals.
5. Increase in the cost cap for linear projects from \$30,000/acre to \$75,000/acre.
6. Increase in the Stormwater Impact Fund contribution requirements from \$40,000/acre to \$100,000/acre.
7. Additional minor grammatical corrections and language clarifications.

Other Rules also provide for erosion and sediment controls, wetland protection, flood control, and illicit discharge and connection management to CRWD's Trout Brook Interceptor.

Permitting Program

CRWD reviews applications and issues permits to ensure compliance with the standards outlined in the Rules. Regulatory Division staff work with CRWD's consulting engineer to review applications and make recommendations to the Board of Managers. The Board votes to approve or deny permit applications based on their compliance with the Rules.



Construction at Parkview Center School. Photo: Sara Rubenstein

OUR WORK

2019 Watershed Rules and Permitting (cont.)

During construction, sites are inspected for compliance with erosion and sediment control regulations. When vegetation and topsoil are removed at construction sites, soil is exposed and can be transported to storm drains and water bodies during rainstorms, causing pollution from sediment and nutrients. To ensure the proper BMPs are installed and maintained, the District verifies that construction supervisors comply with permit conditions, to minimize sediment-laden discharge. Permitted sites are also inspected to ensure that permanent stormwater BMPs are correctly installed. It is particularly important that infiltration practices are protected from turbid runoff and soil compaction during construction, and that vegetation is properly established. CRWD boosted inspection

capacity by hiring an additional BMP Inspector in 2019, in addition to a temporary seasonal inspector hired during the past three summers. These additions allow for increased presence/compliance on permitted sites during active construction and more efficient permit closure once work is complete.

CRWD's Permitting Program processed 29 new permit applications in 2019. Approximately 58% of the disturbed acres consisted of impervious surfaces such as roads, sidewalks and buildings. Runoff leaving those surfaces is accounted for and treated by stormwater BMPs that meet the standards specified in CRWD's Watershed Rules.

CRWD Permits By Year*

	2015	2016	2017	2018	2019
Applications Received	41	33	25	24	29
Acres Disturbed	129	161	67	66	76
Acres Impervious	120	86	25	45	44
Alternative Compliance Sites	20	20	13	7	13
Standard Compliance Sites	21	13	12	17	17
Linear Projects	14	10	3	4	8
Total Linear Impervious (ac)	26	29.4	5.6	10.9	22.5
Total Linear Treatment (cf)	41,874	67,256	4894	26,313	40,518
Infiltration Approved (cf)	220,755	120,370	21,564	165,733	49,326
Filtration Approved (cf)	118,264	217,756	115,844	7,981	93,662
Total Treatment Volume	339,019	338,126	137,408	173,714	142,988
Variances Requested	4	5	1	2	1
Variances Approved	4	5	1	2	1
Incomplete/Withdrawn Applications	2	0	2	1	5

*See Appendix A for permit data from 2007-2019.

OUR WORK

2019 District Finance Summary

This is a summary of CRWD's financial activities for the fiscal year ending in December 31, 2019. The complete 2019 Annual Financial Report and Audit can be found in Appendix C.

S&P Global Ratings assigned its 'AA' Stable long-term bond rating to CRWD. The District has historically maintained a very strong financial position. The Board established and maintains separate Operations and Capital Improvement Program (CIP) funds. The Operations reserve minimum is set at 50% of the Operations budget. The CIP fund cash balance (contingency) minimum is at 100% of the estimated CIP budget or \$1,000,000, whichever is less. A CIP Reserve Fund of \$1,000,000 is established as well. The year-end available Operations fund balance of \$1,891,113 is 40% of budgeted expenditures. While the District did not meet the 50% of Operations budget fund balance policy, the actual Operations Fund Balance was at 48% of Actual Expenditures. The combined CIP fund cash balance and Reserve would equal \$2,000,000. The overall CIP Fund Balance in 2019 was \$4,763,226.

Operations

2019 actual revenue of \$3,583,538 was \$22,462 less than budgeted revenue of \$3,606,000. Expenditures in 2019 were under budget. Budgeted expenditures were \$4,761,140 while actual expenditures were \$3,904,210, a difference of \$856,930. The expenditure budget variance was due to several programs and projects that were under budget or projects not starting until 2020.

Capital Improvement Program (CIP)

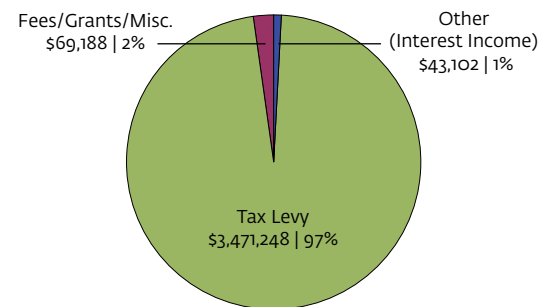
The capital improvement expenditures were under budget by \$937,928. This was primarily due to three main projects coming in under budget, including Como Lake BMP, Trout Brook BMP and Special Projects and Grants.

Financial Highlights

2019 ended with the District spending approximately 79% of its overall budget. The difference is mainly due to planned projects coming in under budget.

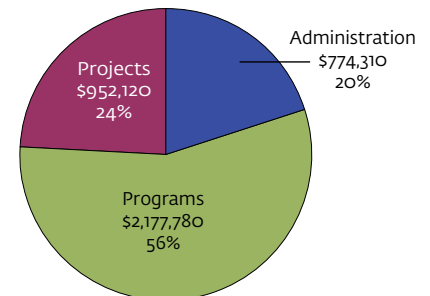
2019 Operations Revenue (actual)

Total \$3,583,538



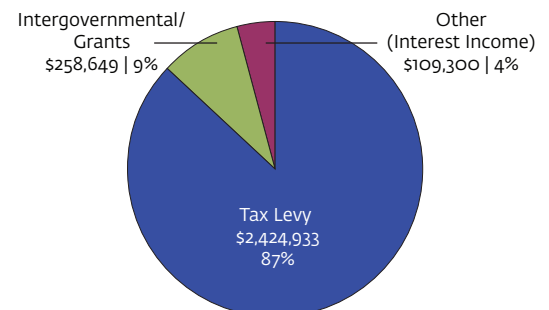
2019 Operations Expenditures (actual)

Total \$3,904,210



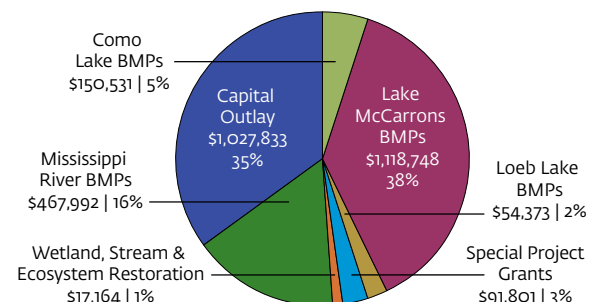
2019 CIP Revenue (actual)

Total \$2,792,882



2019 CIP Expenditures (actual)

Total \$2,928,442



OUR PLANS

2019 Year In Review

Below is a complete list of 2019 CRWD projects:

Fund Name	Project Name
Administration	General Administration
	595 Aldine Operations
	1736 Thomas Operations
	MAWD Administrative Allocation
Groundwater	Groundwater Protection — Well Sealing
Rulemaking/Rule Revisions	Evaluate Rules — Hold TAC Meetings
Permitting	District Permit Program
	Permit Tracking and Database Management
	Construction Inspection
	Closure and Post Construction Inspection
Stewardship Grants	Stewardship Grants
	Partner Grants
	Inspiring Communities Program
	SPS Rain Garden Projects
	TWP — Boulevard Rain Gardens
	MN Greencorps Member
Monitoring and Data Collection	Baseline Monitoring and Data Collection
	Lake Monitoring and Data Collection
	Villa Park Monitoring and Data Collection
	Wetland Bio-monitoring
	WISKI Database and Website
	Remote Data Access and Set Up
	BMP Monitoring
	Upper Villa Exfiltration Monitoring
	Midway Office Warehouse Monitoring
Education and Outreach	General Outreach and Communications
	Litter and Leaf Clean-ups
	Municipal Training
	Website
	Master Water Stewards

OUR PLANS

2019 Year In Review (cont.)

Fund Name	Project Name
Education and Outreach (cont.)	Sponsorships and Partnerships
	Events
	Awards Program
	Youth Outreach
	Communications Training
	Adopt-a-Drain
	TWP Communications
	TWP — Adopt a Drain
	TWP — Leaf and Litter Clean-ups
	Social Media
	595 Aldine Education and Outreach
Technical Resources and Information Sharing	Plan Review and Tech Committee
	BMP Database
Future Trends: Research and Positioning	District Research Program
	Public Art Program
	595 Aldine Art
	Diversity and Inclusion
	Climate Change Impacts — Research and Action
Geographic Information System	GIS Program Development
Safety Program	Safety Training
	Safety Program Updates/Audits
	Safety Equipment
Shoreline and Streambank Maintenance	Saint Paul Natural Resources Intern Program
Como Lake Subwatershed	Como BMP Maintenance
	Curtiss Pond Opti RTC O&M
	TWP — Como Lake Project Development
	Como Lake Management Plan

OUR PLANS

2019 Year In Review (cont.)

Fund Name	Project Name
Lake McCarrons Subwatershed	AIS Management
	Lake McCarrons Management Plan
	Upper Villa Maintenance
Trout Brook Subwatershed	TBI Inspection and Maintenance
	TBI Easement Verification and Documentation
	NPDES MS4 Stormwater Program
	Illicit Discharge Detection and Elimination Program
Crosby Lake Subwatershed	Highland Ravine BMP Maintenance
Mississippi River Subwatershed	Green Infrastructure for Innovation Districts
	Snelling Midway Redevelopment
	Ford Site Planning
	Green Line BMP Maintenance
Watershed Management	2020 Watershed Management Plan
Special Projects and Grants	Special Grants — Project Development
Como Lake BMPs	Como Lake In-Lake Management
	TWP — Como BMPs
Lake McCarrons BMPs	TWP — McCarrons BMP — Parkview
Loeb Lake BMPs	Loeb Lake Shoreline Restoration
	Willow Reserve Restoration Project
Trout Brook BMPs	TBI Repair — Station 28+65 - 50+72
Wetland, Stream and Ecosystem Restoration	Land Conservation Funding
Mississippi River Subwatershed BMPs	Snelling Midway Redevelopment
	Midway Peace Park
	Lauderdale Stormwater Improvement Project

OUR PLANS

2019 Year In Review (cont.)

Fund Name	Project Name
Special Projects and Grants	Special Grants
	TWP — Grant Administration
	CRWD Opportunity Fund
Future Trends: Implementation	New Office Facility
Debt Service	Debt and Loan Service

OUR PLANS

2020 Workplan

Fund Name	Project Name	Priority	Project Description
Administration	General Administration	Critical	General administration of CRWD operations
	595 Aldine Operations	Critical	General operations for 595 Aldine
	1736 Thomas Operations	Critical	General operations for 1736 Thomas
	MAWD	Beneficial	Provide support to MAWD
	Administrative Allocation	Ongoing	Annual cost allocation to projects and programs
Groundwater	Groundwater Protection — Well Sealing	Beneficial	Provide grant reimbursements for well sealing
Rulemaking / Rule Revisions	Evaluate Rules, hold TAC meetings	Critical	Conduct TAC process to update Rules
Permitting	District Permit Program	Critical	Continue Implementing District Permit Program
	Permit Tracking and Database Management	Critical	Track and manage database for Permit Program
	Construction Inspection	Critical	Inspect active permits sites for compliance
	Closure and Post-Construction Inspection	Critical	Inspect completed permit projects for compliance and maintenance
Stewardship Grants	Stewardship Grants	Important	Administer, promote and outreach on Stewardship Grants
	Partner Grants	Important	Provide grants to partners for Education/Outreach programming
	Inspiring Communities Program	Important	Provide design and project funds for City ICP program
	SPS — Rain Garden Projects	Important	Assist with boulevard raingardens as part of City's Street Reconstruction Program
	TWP — Blvd Rain Gardens	Critical	Assist with boulevard rain gardens in Como and McCarrons subwatersheds
Monitoring and Data Collection	Baseline Monitoring and Data Collection	Critical	Monitor stormwater baseline sites, water level and rain gauge sites
	Lake Monitoring and Data Collection	Critical	Monitor 5 lakes for chemical, biological and qualitative parameters
	Villa Park Monitoring and Data Collection	Critical	Monitor 2 FWQ sites in Villa Park, 2 level loggers and Lake McCarrons flow-only station
	Wetland Bio-monitoring	Important	Monitor wetlands, IBI assessments, water quality and data analysis
	WISKI Database and Website	Critical	Long-term monitoring database for effective data management
	Remote Data Access and Set Up	Important	Implement Remote Data Access Program

OUR PLANS

2020 Workplan (cont.)

Fund Name	Project Name	Priority	Project Description
Monitoring, Data Collection (cont.)	BMP Monitoring	Important	Monitor BMP sites — Como 7, Green Line, Upper Villa
	Upper Villa Exfiltration Monitoring	Beneficial	Exfiltration monitoring of an underground infiltration BMP
	Midway Office Warehouse Monitoring	Important	Monitor Midway office warehouse
Education and Outreach	General Outreach and Communications	Critical	Provide general outreach and communications for the District
	Leaf and Litter Clean Ups	Critical	Implement a Leaf and Litter Clean Up Program
	Municipal Training	Important	Provide training for municipal staff
	Website	Important	Maintain and provide content for CRWD website
	Master Water Stewards	Important	Implement Master Water Stewards program
	Sponsorships and Partnerships	Beneficial	Sponsor and support partner organizations
	Events	Beneficial	Community and CRWD-sponsored events and activities
	Awards Program	Important	Support CRWD Recognition Program
	Youth Outreach	Important	Develop and implement outreach programming to District youth
	Communications Training	Important	Provide communications, diversity and media training for staff, board and partners
	Adopt-a-Drain	Beneficial	Promote and implement Adopt-a-Drain Program
	TWP — Communications	Important	Implement communications to support TWP
	TWP — Adopt-a-Drain	Critical	Promote and implement Adopt-a-Drain Program in Como and McCarrons subwatersheds
	TWP — Leaf and Litter Clean Ups	Critical	Leaf and Litter Clean Ups in Como and McCarrons subwatersheds for TWP
	Social Media	Important	Maintain and update District social media accounts
	595 Aldine Education and Outreach	Important	Provide for education and outreach at 595 Aldine
Technical Resources and Information Sharing	Plan Review and Tech Committee	Critical	Review plans and serve on committees as appropriate
	BMP Database	Critical	Update and maintain BMP database
Future Trends: Research and Positioning	District Research Program	Important	Develop and implement comprehensive research program
	Public Art Program	Important	Work with watershed artist on District public art projects
	595 Aldine Art	Beneficial	Create and install art in CRWD's new office
	Diversity and Inclusion	Important	Implement CRWD Diversity and Inclusion Plan
	Climate Change Impacts — Research and Action	Important	Research climate change impacts on design standards (Atlas-14)

OUR PLANS

2020 Workplan (cont.)

Fund Name	Project Name	Priority	Project Description
Geographic Information Systems (GIS)	GIS Program Development	Important	Manage GIS needs for CRWD
Safety Program	Safety Training	Critical	Provide safety training for staff
	Safety Program Updates	Critical	Update safety program, protocols, procedures and equipment
	Safety Equipment	Critical	Purchase, maintain and repair safety equipment
Shoreline and Streambank Maintenance	Saint Paul Natural Resources Intern Program	Important	Sponsor intern with Saint Paul for BMP maintenance or other activities
Como Lake Subwatershed	Como BMP Maintenance	Critical	Inspect and maintain Como subwatershed BMPs
	Como Lake Aquatic Plant Management	Beneficial	Manage nuisance aquatic plants
	Curtiss Pond Opti RTC O&M	Important	Operate, maintain and inspect Opti RTC system
	Como Lake Shoreline Management	Important	Plan and implement shoreline improvements
Lake McCarrons Subwatershed	AIS Management	Beneficial	Manage aquatic invasive plants
	Lake McCarrons Management Plan	Important	Develop a Lake McCarrons Management Plan
	Upper Villa Maintenance	Critical	Upper Villa Maintenance
	Parkview O&M	Critical	Maintain Parkview BMP
	Williams Street Pond O&M	Important	Maintain Williams Street Pond BMP
Trout Brook Subwatershed	TBI Inspection and Maintenance	Critical	Manage, operate, inspect, maintain and repair TBI
	TBI Easement Verification and Documentation	Critical	Complete TBI easement verification, acquisition and documentation work
	TBI Subwatershed Study	Important	Conduct a subwatershed study on a priority TBI catchment
	NPDES MS4 Stormwater Program	Critical	Implement MS4 SWPP
	Illicit Discharge Detection and Elimination	Important	Implement IDDE program
Crosby Lake Subwatershed	Highland Ravine BMP Maintenance	Critical	Maintain gully stabilization BMPs

OUR PLANS

2020 Workplan (cont.)

Fund Name	Project Name	Priority	Project Description
Mississippi River Subwatershed	Green Infrastructure for Innovation Districts	Critical	Plan for green infrastructure in innovation districts
	Snelling Midway Redevelopment O&M	Critical	Maintain BMPs
	Ford Site Planning	Important	Provide design and planning assistance for former Ford site
	Snelling Midway site	Important	Plan for stormwater BMPs
	Green Line BMP Maintenance	Critical	Inspect and maintain the Green Line BMPs
	Ford site — Area C	Important	Plan review and comment on Area C
Watershed Management	2020 Watershed Management Plan	Critical	Prepare and adopt 2020 WMP
Special Projects and Grants	Special Grants — Project Development	Important	Support feasibility studies by special grant partners
Como Lake BMPs	Como Lake In-Lake Management	Critical	Plan and implement in-lake projects
	Como Lake BMP Engineering	Important	Design for future BMPs
	TWP — Como BMPs	Critical	Design and construct stormwater BMPs in Como subwatershed
Lake McCarrons BMPs	TWP — McCarrons BMP — Parkview	Critical	Design Parkview Elementary BMP
Loeb Lake BMPs	Loeb Lake Shoreline Restoration	Beneficial	Restore shoreline of Loeb Lake
	Willow Reserve Restoration Project	Critical	Conduct restoration work at Willow Reserve
Trout Brook BMPs	TBI Repair — Station 28+65 - 50+72	Critical	Engineering design for next segment of TBI repairs
Wetland, Stream and Ecosystem Restoration	Land Conservation Funding	Important	Provide resources for land protection initiatives

OUR PLANS

2020 Workplan (cont.)

Fund Name	Project Name	Priority	Project Description
Mississippi River Subwatersheds BMPs	Midway Peace Park	Beneficial	Support green infrastructure at Midway Peace Park
	Lauderdale Stormwater Improvement Project	Important	Complete design and conduct bidding for Seminary Pond improvements
	Ford Site	Critical	Support implementation of central water feature
	Science Museum of Minnesota	Beneficial	Support BMP installation
Special Projects and Grants	Special Grants	Critical	Implement Special Grant Program
	TWP — Grant Administration	Critical	Administer TWP Grant Program
	Project Initiatives	Important	Support CRWD Watershed Management Plan projects
Future Trends: Implementation	New Office Facility	Critical	Complete buildout of 595 Aldine office
Debt Service	Debt and Loan Service	Critical	Annual payments for bonds and loans (debt service)

APPENDIX A

CRWD Permits By Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Applications Received	30	33	31	33	30	30	36	41	41	33	25	24	29
Acres Disturbed	94	85	110	358	142	331	210	125	129	161	67	66	76
Acres Impervious	68	64	65	194	90	109	82	77	120	86	25	45	44
Alternative Compliance Sites	12	13	5	15	14	12	17	21	20	20	13	7	13
Standard Compliance Sites	15	18	26	18	13	17	19	20	21	13	12	17	17
Linear Projects	4	8	10	9	8	7	11	9	14	10	3	4	8
Total Linear Impervious (ac)	37	34	32	156	49.83	75.93	49.78	36.5	26	29.4	5.6	10.9	22.5
Total Linear Treatment (cf)	83,568	74,579	174,130	434,773	84,768	413,711	111,797	39,809	41,874	67,256	4894	26313	40,518
Infiltration Approved (cf)	120,349	148,131	163,297	425,289	275,781	91,100	124,856	96,889	220,755	120,370	21,564	165,733	49,326
Filtration Approved (cf)	73,861	65,959	35,649	198,844	179,448	474,887	348,543	176,183	118,264	217,756	115,844	7,981	93,662
Total Treatment Volume	194,210	214,090	198,946	624,133	455,229	565,987	473,399	273,072	339,019	338,126	137,408	173,714	142,988
Variances Requested	2	2	2	2	1	0	3	2	4	5	1	2	1
Variances Approved	1	2	1	2	1	0	3	2	4	5	1	2	1
Incomplete/ Withdrawn Applications	3	2	0	0	3	1	2	2	2	0	2	1	5

APPENDIX B

Minnesota Board of Water and Soil Resources Performance Review & Assistance Program Capitol Region Watershed District

Performance Area	Performance Standard		Level of Review I Annual Compliance II BWSR Staff Review & Assessment (1/10 yrs)	Rating	
				Yes, No, or Value	
	★ Benchmark standard	■ Basic practice or statutory requirement (see instructions for explanation of standards)		YES	NO
Administration	■ Activity report: annual, on-time		I	x	
	■ Financial report & audit completed on time		I	x	
	■ Drainage authority buffer strip report submitted on time		I	x	
	■ eLink Grant Report(s): submitted on time		I	x	
	■ Rules: date of last revision or review		II	6/5/2019	
	■ Personnel policy: exists and reviewed/updated within last 5 yrs		II	x	
	■ Data practices policy: exists and reviewed/updated within last 5 yrs		II	x	
	■ Manager appointments: current and reported		II	x	
	■ Consultant RFP: within 2 yrs for professional services		II	x	
	■ WD/WMO has resolution assuming WCA responsibilities and appropriate delegation resolutions as warranted (N/A if not WCA LGU)		II	x	
	■ WD/WMO has knowledgeable and trained staff that manages WCA program or has secured a qualified delegate (N/A if not WCA LGU)		II	x	
	★ Administrator on staff		II	x	
	★ Board training: orientation & cont. ed. plan, record for each board member		II	x	
	★ Staff training: orientation & cont. ed. plan and record for each staff person		II	x	
	★ Operational guidelines for fiscal procedures and conflicts of interest exist and current		II	x	
	★ Public drainage records: meet modernization guidelines		II	n/a	
Planning	■ Watershed management plan: up-to-date		I	x	
	■ City/twp. local water plans not yet approved		II	0%	
	■ Capital Improvement Program: reviewed every 2 yrs		II	x	
	★ Biennial Budget Request submitted on time		II	x	
	★ Strategic plan identifies short-term priorities		II	x	
Execution	■ Engineer Reports: submitted for DNR & BWSR review		II	x	
	■ WCA decisions & determinations made in conformance w/all WCA requirements (if delegated WCA LGU)		II	x	
	■ WCA TEP reviews and recommendations appropriately coordinated (if delegated WCA LGU)		II	x	
	■ Total expenditures per year (past 10 yrs)		II	see below	
	★ Water quality trends tracked for priority water bodies		II	x	
	★ Watershed hydrologic trends monitored / reported		II	x	
Communication & Coordination	■ Website: contains information as required by MR 8410.0150 Subp. 3a, i.e., as board meeting, contact information, water plan, etc.		II	x	
	■ Functioning advisory committee(s): recommendations on projects, reports, 2-way communication with Board		II	x	
	■ Communication piece: sent within last 12 months		II	x	
	Communication target audience		residents		
	★ Track progress for I & E objectives in Plan		II	x	
	★ Coordination with County Board, SWCD Board, City/Twp officials		II	x	
	★ Partnerships: cooperative projects/tasks with neighboring organizations such as counties, soil and water districts, watershed districts and non-governmental organizations		II	x	

APPENDIX C

Financial Statements and Audit

ANNUAL FINANCIAL REPORT

Year Ended December 31, 2019

Capitol Region Watershed District

Ramsey County, Minnesota

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CAPITOL REGION WATERSHED DISTRICT
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INTRODUCTORY SECTION

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Board of Managers

Joseph Collins - President
Mary Texer - Vice-President
Seitu Jones - Secretary
Rick Sanders - Treasurer
Shawn Murphy

Watershed District Staff

Mark Doneux, Executive Administrator
Belinda Gardner, Administrative Assistant
Anna Annim-Wilson, Administrative Assistant
Michelle Sylvander, Office Manager
Jessica Bromelkamp, Communications & Engagement Division Manager
Lindsay Schwantes, Community Outreach Coordinator
Mary Van Sant, Communications Associate
Forrest Kelley, PE Regulatory Division Manager
Anna Eleria, Planning, Projects & Grants Division Manager
Bob Fossum, Monitoring & Research Division Manager
Britta Belden, Water Resource Project Manager
Nate Zwonitzer, Water Resource Project Manager
Joe Sellner, Water Resource Specialist
Sarah Wein, Monitoring Coordinator
Elizabeth Hosch, BMP Inspector
Luke Martinkosky, BMP Inspector
Rachel Funke, Urban BMP Technician
Mark Houle, Water Resource Technician
Chris Kucek, Water Resource Technician

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FINANCIAL SECTION

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JULIE BLAHA
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

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INDEPENDENT AUDITOR'S REPORT

Board of Managers
Capitol Region Watershed District
Saint Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Capitol Region Watershed District as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Capitol Region Watershed District as of December 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.


Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Capitol Region Watershed District's basic financial statements. The Supplementary Information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



JULIE BLAHA
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

May 27, 2020



Capitol Region Watershed District

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Capitol Region Watershed District (the District) we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2019.

Financial Highlights

The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$15,282,797 (net position), of which \$11,609,922 represents the net investment in capital assets.

The District's total net position increased by \$1,956,684.

As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balance was \$6,841,030 compared to \$7,266,704 the previous year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

(unaudited)

Management's Discussion and Analysis

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the District are governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Operations Fund, Capital Improvement Fund and Debt Service Fund, which are considered to be major funds.

The District adopts an annual appropriated budget for the Operations Fund and the Capital Improvement Fund.

A budgetary comparison schedule has been provided for these funds to demonstrate compliance with this budget.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

(unaudited)

Management's Discussion and Analysis

Following is a comparison of the District's net position between 2019 and 2018.

	2019	2018
Current and other assets	\$10,292,303	\$10,065,083
Capital assets	21,992,927	20,692,285
Total assets	<u>\$32,285,230</u>	<u>\$30,757,368</u>
Deferred outflows of resources related to pensions	<u>\$143,674</u>	<u>\$179,688</u>
Payables	\$3,024,345	\$2,878,090
Other long term liabilities	13,965,809	14,534,358
Total liabilities	<u>\$16,990,154</u>	<u>\$17,412,448</u>
Deferred inflows of resources related to pensions	<u>\$155,953</u>	<u>\$198,495</u>
Net position:		
Net investments in capital assets	\$11,609,922	\$10,075,427
Restricted	186,691	739,634
Unrestricted	3,486,184	2,511,052
Total net position	<u>\$15,282,797</u>	<u>\$13,326,113</u>

(unaudited)

Management's Discussion and Analysis

Governmental Activities

Governmental activities resulted in an increase of the District's net position by \$1,956,684. The details of the increase are as follows:

Capitol Region Watershed District's Changes in Net Position

	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues:		
Charges for services	\$12,900	\$241,400
Operating grants and contributions	209,690	32,809
Capital grants and contributions	550,981	217,612
General revenues:		
Property taxes	6,937,570	6,496,766
Unrestricted investment earnings	156,642	184,671
Miscellaneous other	56,288	29,159
Total revenues	<u>7,924,071</u>	<u>7,202,417</u>
Expenses:		
General government	3,962,614	3,566,614
Conservation of natural resources	1,646,018	1,405,692
Interest on long term debt	358,755	342,163
Total expenses	<u>5,967,387</u>	<u>5,314,469</u>
Change in net position	1,956,684	1,887,948
Net position - January 1	<u>13,326,113</u>	<u>11,438,165</u>
Net position - December 31	<u><u>\$15,282,797</u></u>	<u><u>\$13,326,113</u></u>

The increase in net position is mainly due to an increase in budgeted capital improvement property taxes used for financing construction of the District's new building and also due to several capital improvement projects coming in under budget and being delayed.

Financial Analysis of the Government's Funds

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Management's Discussion and Analysis

The Operations fund balance decreased by \$320,672 in 2019, which was due to expenditures exceeding revenues. The District budgeted expenditures of \$4,761,140, however actual expenditures were \$856,930 less than expected.

The Capital Improvement fund balance decreased from prior year by \$135,560 in 2019, due to expenditures exceeding revenue. Total capital outlay related to the new District facility in 2019 was \$1,027,833.

The Debt Service fund balance increased from prior year by \$30,558 in 2019 which was due to revenues exceeding expenditures.

Budgetary Highlights

Operations

2019 actual revenue of \$3,583,538 was \$22,462 less than budgeted revenue of \$3,606,000. Expenditures in 2019 were under budget. Budgeted expenditures were \$4,761,140 while actual expenditures were \$3,904,210, a difference of \$856,930. The expenditure budget variance was due to several programs and projects that were under budget or projects not starting until 2020.

Capital Improvement

The capital improvement expenditures were under budget by \$937,928. This was primarily due to three main projects coming in under budget, including Como Lake BMP, Trout Brook BMP and Special Projects and Grants.

Capital Asset and Debt Administration

Capital assets. The District's capital assets for its governmental activities as of December 31, 2019, amounts to \$21,992,927. This investment in capital assets is in construction in progress, equipment, buildings, and infrastructure. Accumulated depreciation was \$5,022,469 with current depreciation charges of \$876,749.

Capitol Region Watershed District's Capital Assets (Net of Depreciation)

	December 31	
	2019	2018
Equipment	\$78,088	\$59,870
Buildings	11,094,698	-
Infrastructure	9,701,393	10,182,974
Construction in progress	1,118,748	10,449,441
Total	<u>\$21,992,927</u>	<u>\$20,692,285</u>

(unaudited)

Management's Discussion and Analysis

Debt administration. Capitol Region Watershed District records the following long-term obligations:

	Compensated Absences	Loans Payable	Bonds Payable	Net Pension Liability
December 31, 2019	\$105,753	\$181,715	\$12,810,323	\$868,018
December 31, 2018	83,645	225,086	13,415,679	809,948
Increase (decrease)	\$22,108	(\$43,371)	(\$605,356)	\$58,070

In 2007, Capitol Region Watershed District issued \$1,555,000 in Watershed District Tax Supported Bonds, Series 2007A for the Capital Improvement fund for project costs. In 2013, the District issued \$3,000,000 in General Obligation bonds for watershed improvement projects. In 2018, the District issued \$9,690,000 in General Obligation Bonds to finance the acquisition, remediation, site improvements, and construction of the District's new facility.

2019 Financial Highlights

S&P Global Ratings assigned its 'AA' stable long-term bond rating to CRWD. The District has historically maintained a very strong financial position. The Board established and maintains separate Operations and Capital Improvement Program (CIP) funds. The Operations reserve minimum is set at 50% of the Operations budget. The CIP fund cash balance (contingency) minimum is at 100% of the estimated CIP budget or \$1,000,000, whichever is less. A CIP Reserve Fund of \$1,000,000 is established as well. The year-end available Operations fund balance of \$1,891,113 is 40% of budgeted expenditures. While the District did not meet the 50% of Operations budget fund balance policy, the actual Operations fund balance was at 48% of actual expenditures. The combined CIP fund cash balance and reserve exceeded \$2,000,000. The overall CIP Fund Balance in 2019 was at \$4,763,226.

2019 ended with the District spending approximately 79% of its overall budget. The difference is mainly due to planned projects coming in under budget.

Requests for information. This financial report is designed to provide a general overview of Capitol Region Watershed District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Capitol Region Watershed District, 595 Aldine Street, St. Paul, MN, 55104, 651-644-8888.

BASIC FINANCIAL STATEMENTS

CAPITOL REGION WATERSHED DISTRICT**STATEMENT OF NET POSITION**

December 31, 2019

Statement 1

	<u>Governmental Activities</u>
Assets:	
Cash and short term investments	\$9,440,361
Accounts receivable	135,732
Due from other governments	500,000
Property taxes receivable:	
Due from county	133,529
Delinquent	82,681
Capital assets - net:	
Non-depreciable	1,118,748
Depreciable	20,874,179
Total assets	<u>32,285,230</u>
Deferred outflows of resources related to pensions	143,674
Total assets and deferred outflows of resources	<u><u>32,428,904</u></u>
Liabilities:	
Accounts payable	\$2,029,303
Contracts payable - retainage	69,843
Deposits payable	646,678
Accrued interest payable	155,753
Unearned revenue	122,768
Loans payable:	
Due within one year	44,246
Due in more than one year	137,469
Bonds payable:	
Due within one year	590,000
Due in more than one year	12,220,323
Compensated absences payable:	
Due within one year	105,753
Net pension liability	
Due in more than one year	868,018
Total liabilities	<u>16,990,154</u>
Deferred inflows of resources related to pensions	<u>155,953</u>
Net position:	
Net investments in capital assets	11,609,922
Restricted for debt services	186,691
Unrestricted	3,486,184
Total net position	<u>15,282,797</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$32,428,904</u></u>

The accompanying notes are an integral part of these financial statements.

CAPITOL REGION WATERSHED DISTRICT
STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2019

Statement 2

<u>Functions/Programs</u>	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position	
	<u>Expenses</u>	<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Governmental activities:					
General government	\$3,962,614	\$12,900	\$2,022	\$ -	(\$3,947,692)
Conservation of natural resources	1,646,018	-	207,668	550,981	(887,369)
Interest on long term debt	358,755	-	-	-	(358,755)
Total governmental activities	<u>\$5,967,387</u>	<u>\$12,900</u>	<u>\$209,690</u>	<u>\$550,981</u>	<u>(5,193,816)</u>
General revenues:					
Property taxes					6,937,570
Unrestricted investment earnings					156,642
Miscellaneous other					56,288
Total general revenues					<u>7,150,500</u>
Change in net position					1,956,684
Net position - January 1					<u>13,326,113</u>
Net position - December 31					<u>\$15,282,797</u>

The accompanying notes are an integral part of these financial statements.

CAPITOL REGION WATERSHED DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

Statement 3

	Operations	Capital Improvement	Debt Service	Total Governmental Funds
Assets				
Cash and short-term investments	\$3,274,349	\$5,999,373	\$166,639	\$9,440,361
Accounts Receivable	135,732	-	-	135,732
Due from other governments	-	500,000	-	500,000
Taxes Receivable				
Due from county	66,807	46,670	20,052	133,529
Delinquent	41,367	28,898	12,416	82,681
Total assets	3,518,255	6,574,941	199,107	10,292,303
Liabilities:				
Accounts payable	939,097	1,090,206	-	2,029,303
Contracts payable - retainage	-	69,843	-	69,843
Deposits payable	646,678	-	-	646,678
Unearned revenue	-	122,768	-	122,768
Total liabilities	1,585,775	1,282,817	-	2,868,592
Deferred inflows of resources:				
Unavailable revenue	41,367	528,898	12,416	582,681
Fund balance:				
Restricted	-	-	186,691	186,691
Assigned	-	4,763,226	-	4,763,226
Unassigned	1,891,113	-	-	1,891,113
Total fund balance	1,891,113	4,763,226	186,691	6,841,030
Total liabilities, deferred inflows of resources, and fund balance	\$3,518,255	\$6,574,941	\$199,107	\$10,292,303
Fund balance reported above				\$6,841,030
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets net of related depreciation used in governmental activities are not financial resources, and, therefore, are not reported in the funds.				21,992,927
Deferred outflows of resources related to pensions - See Note 8.D.				143,674
Deferred inflows of resources related to pensions - See Note 8.D.				(155,953)
Long-term liabilities, including compensated absences, net pension liability, bonds payable, loans payable and related interest payable are not due and payable in the current period and, therefore, are not reported in the funds.				(14,121,562)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.				582,681
Net position of governmental activities				\$15,282,797

The accompanying notes are an integral part of these financial statements.

CAPITOL REGION WATERSHED DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2019

Statement 4

	Operations	Capital Improvement	Debt Service	Total Governmental Funds
Revenues:				
General property taxes	\$3,471,248	\$2,424,933	\$1,041,869	\$6,938,050
Intergovernmental	-	258,649	-	258,649
Interest income	43,102	109,300	4,240	156,642
Permit fees	12,900	-	-	12,900
Miscellaneous	56,288	-	-	56,288
Total revenues	<u>3,583,538</u>	<u>2,792,882</u>	<u>1,046,109</u>	<u>7,422,529</u>
Expenditures:				
Current:				
General government:				
Other services and charges	423,548	-	950	424,498
Salaries & benefits	1,639,666	-	-	1,639,666
Supplies	98,379	-	-	98,379
Noncapitalized equipment	7,347	-	-	7,347
Legal	25,958	-	-	25,958
Engineering	533,763	-	-	533,763
Projects and studies	1,144,739	-	-	1,144,739
Conservation of natural resources	-	781,861	-	781,861
Capital outlay	30,810	2,146,581	-	2,177,391
Debt services:				
Principal	-	-	628,371	628,371
Interest	-	-	386,230	386,230
Total expenditures	<u>3,904,210</u>	<u>2,928,442</u>	<u>1,015,551</u>	<u>7,848,203</u>
Net change in fund balance	(320,672)	(135,560)	30,558	(425,674)
Fund balance - January 1	<u>2,211,785</u>	<u>4,898,786</u>	<u>156,133</u>	<u>7,266,704</u>
Fund balance - December 31	<u><u>\$1,891,113</u></u>	<u><u>\$4,763,226</u></u>	<u><u>\$186,691</u></u>	<u><u>\$6,841,030</u></u>

The accompanying notes are an integral part of these financial statements.

CAPITOL REGION WATERSHED DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2019

Statement 5

	<u>2019</u>
Amounts reported for governmental activities in the Statement of Activities (Statement 2) are different because:	
Net changes in fund balances - total governmental funds (Statement 4)	(\$425,674)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:	
Capital outlay	2,177,391
Depreciation expense	(876,749)
Accrued interest payable:	
At December 31, 2019	(155,753)
At December 31, 2018	162,872
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:	
Principal payment	628,371
Amortization of premium	20,356
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Unavailable revenue:	
At December 31, 2019	582,681
At December 31, 2018	(83,161)
Net adjustment in revenues and expenses arising from recording the net pension liability	(51,542)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Compensated absences payable:	
At December 31, 2019	(105,753)
At December 31, 2018	83,645
Change in net position of governmental activities (Statement 2)	<u><u>\$1,956,684</u></u>

The accompanying notes are an integral part of these financial statements.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Capitol Region Watershed District conform to accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

A. FINANCIAL REPORTING ENTITY

The Capitol Region Watershed District (the District) was organized in September 1998 under the provisions of Minnesota Statutes Chapter 103D. Additional powers and duties are contained in Minnesota Statutes Chapters 103B and 103E. A watershed district is a “special purpose” unit of local government, which has taxing authority and can promulgate and implement rules that have the effect and force of law.

The purpose of the District is to provide for surface and groundwater management within the District’s geographic boundaries. The District is approximately 42 square miles in size and contains portions of the cities of Falcon Heights, St. Paul, Maplewood, Roseville, and Lauderdale. The University of Minnesota St. Paul Campus and Minnesota State Fair Grounds are also within this district.

The District is governed by a board of managers who are appointed by the Ramsey County Board of Commissioners. Managers serve three-year terms.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported. There are no *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or activity. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under full accrual accounting. However, debt service expenditures are recorded only when payment is due. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

Operations Fund is the general operating fund of the District. It is used to account for all financial resources except those accounted for in the Capital Improvements Fund and Debt Service Fund.

Capital Improvement Fund is established to account for expenditures related to the preparation and implementation of the watershed management plan and for the acquisition, remediation, site improvements and construction of the District's new facility. Funding for these projects is through grants and special revenues and bond proceeds.

Debt Service Fund is established to account for debt associated with the District's activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, that are similarly treated when they involve other funds of the District. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. General revenues include all taxes.

When both restricted and unrestricted resources are available for an allowable use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. BUDGETS

Budgets are legally adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are legally adopted for the Operations Fund and Capital Improvement Fund. Budgeted expenditure appropriations lapse at year end.

E. LEGAL COMPLIANCE – BUDGETS

The District prepares annual revenue and expenditure budgets for the District's Operations Fund and the Capital Improvement Fund. The District monitors budget performance on the fund basis. All amounts over budget have been approved by the Board through the budget extension process. The modified accrual basis of accounting is used by the District for budgeting data. All appropriations end with the fiscal year for which they were made.

F. CASH AND INVESTMENTS

The District invests in an external investment pool, the Minnesota Municipal Money Market (4M) Fund, through the League of Minnesota Cities. The investment is measured at the net asset value per share provided by the pool. Investment income is accrued at the statement of financial position date.

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Investment income is allocated to individual funds on the basis of the fund's equity in the cash and investment pool.

G. PROPERTY TAX REVENUE RECOGNITION

The Board of Managers annually adopts a tax levy and certifies it to Ramsey County in October (levy/assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local School District and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the District at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Delinquent collections for November and December are received the following January. The District has no ability to enforce payment of property taxes by property owners. The County possesses this authority.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The District recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and State credits received by the District in July, December and January, are recognized as revenue for the current year. Taxes collected by the County by December 31 (remitted to the District the following January) and taxes and credits not received at the year-end are classified as delinquent and due from County taxes receivable. The portion of delinquent taxes not collected by the District in January is fully offset by deferred inflow of resources – unavailable revenue because they are not available to finance current expenditures.

H. INVENTORIES

The original cost of materials and supplies has been recorded as expenditures at the time of purchase. The District does not maintain material amounts of inventories.

I. LONG-TERM OBLIGATIONS

In the government-wide financial statements long-term debt is reported as a liability in the statement of net position. Material bond premiums and discounts are amortized over the life of the bond. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. NET POSITION CLASSIFICATIONS

Net position in the government-wide financial statements is classified in the following categories:

Net investment in capital assets

The amount of net position representing capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted net position

The amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position

The amount of net position that does not meet the definition of restricted or net investment in capital assets.

K. FUND BALANCE CLASSIFICATIONS

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable - consists of amounts that are not in spendable form, such as prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of internally imposed constraints. These constraints are established by Resolution of the District.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the District's intended use. These constraints are established by the District Administrator.

Unassigned - is the residual classification for the Operations Fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, it is the District's policy to use resources in the following order; 1) committed 2) assigned and 3) unassigned.

L. CAPITAL ASSETS

Capital assets, which include construction in progress, equipment, buildings and infrastructure assets (e.g., storm sewer, manholes, control structures, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Equipment, buildings and infrastructure of the District are depreciated using the straight-line method over the following estimated useful lives:

Equipment	5 - 8 years
Rain gardens	20 years
Trenches	20 years
Buildings	30 years
Other Infrastructure	30 years

The District implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* effective January 1, 2010. GASB Statement No. 51 required the District to capitalize and amortize intangible assets. Intangible assets include easements and computer software. For governmental entities

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

with total annual revenues of less than \$10 million for the fiscal year ended December 31, 1999, the retroactive reporting of intangible assets is not required under the provision of GASB Statement No. 51. The District has elected not to report intangible assets acquired in years prior to 2010. The District did not acquire any intangible assets for the year ending December 31, 2019.

M. COMPENSATED ABSENCES

It is the District's policy to permit employees to accumulate earned but unused paid time off benefits. All paid time off benefits that are vested as severance pay are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured: for example, as a result of employee resignations and retirements.

N. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

O. REVENUES AND EXPENDITURES

REVENUES

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transfers are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs. The modified accrual basis of accounting is used by the Operations, Capital Improvements and Debt Service Funds. Under this basis, revenue is not recognized in the financial statements unless it is available to finance current expenditures.

IMPOSED NONEXCHANGE TRANSACTIONS

Imposed nonexchange transactions result from assessments by governments on non-governmental entities and individuals. Property taxes are imposed nonexchange transactions. Revenues from property taxes are recognized in the fund financial statements in the period for which the taxes were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable but not available are reported as deferred inflows of resources – unavailable revenue and will be recognized as revenue in the fiscal year that they become available.

INTERGOVERNMENTAL

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for specific purposes. The provider government establishes purpose restrictions and also may establish time requirements. Federal and state grants mandating the District perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when eligibility and time requirements are met, usually when the corresponding expenditure is incurred.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations, and donations. The provider may establish purpose restrictions or eligibility requirements. Revenues are recognized in the year to which they apply according to the statute or contract.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

EXCHANGE TRANSACTIONS

Investment income is recognized as revenue when earned.

EXPENDITURES

Expenditure recognition for the Operations and Capital Improvement Funds includes only amounts represented by current liabilities.

P. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category. It is the pension-related deferred outflows reported in the government-wide Statement of Net Position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) or reduction of expense until that time. The District has pension related deferred inflows of resources reported in the government-wide Statement of Net Position. The District has a second type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenues from property taxes.

Q. UNEARNED REVENUE

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received but not yet earned.

R. USE OF ESTIMATES

The preparation of financial statements in accordance with GAAP requires management to make estimates that could affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

S. DEFINED BENEFIT PENSION PLANS

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, except that PERA's fiscal year is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

T. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including compensated absences, net pension liability, bonds payable, loans payable and related interest payable, are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this (\$14,121,562) difference are as follows:

Bonds payable	(\$12,810,323)
Loans payable	(181,715)
Compensated absences payable	(105,753)
Net pension liability	(868,018)
Accrued interest payable	<u>(155,753)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u><u>(\$14,121,562)</u></u>

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

In accordance with Minnesota Statutes, the District maintains deposits at those depository banks authorized by the District, all of which are members of the Federal Reserve System.

Minnesota Statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds.

Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the Federal Reserve Bank or in an account in the trust department of a commercial bank or a financial institution other than that furnishing the collateral. Authorized collateral includes the following:

- a) United States government treasury bills, treasury notes, treasury bonds;
- b) Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- c) General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- d) Unrated general obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- e) Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation; and
- f) Time deposits that are fully insured by any federal agency.

The District has no deposits at December 31, 2019.

B. INVESTMENTS

Minnesota Statutes authorize the District to invest in the following:

- a) Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities or organizations created by an act of congress, excluding mortgage-backed securities defined as high risk.
- b) Shares of investment companies registered under the Federal Investment Company Act of 1940 that meet certain rating requirements.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

-
- c) Obligations of state or local government:
 - 1) any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;
 - 2) any security which is a revenue obligation of any state or local government which is rated "AA" or better by a national bond rating service; and
 - 3) a general obligation of the Minnesota Housing Finance Agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating agency.
 - d) Bankers acceptances of United States banks.
 - e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, by two rating agencies and maturing in 270 days or less.
 - f) Repurchase or reverse repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; certain securities broker-dealers; or, a bank qualified as a depository.
 - g) General obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7; 469.178, subdivision 5; or 475.61, subdivision 6.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Pooled investments are not required to be categorized.

As of December 31, 2019, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
Pooled with 4M fund	NA	\$ 9,440,361

The District's external investment pool is with the 4M fund which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M fund is an unrated pool and the fair value of the position in the pool is the same as the value of pool shares. The pool is managed to maintain a portfolio weighted average maturity of no greater than 60 days and seeks to maintain a constant net asset value (NAV) per share of \$1. The pool measures their investments in accordance with Government Accounting Standards Board Statement No. 79, at amortized cost.

The 4M Liquid Asset Fund has no redemption requirements. The 4M Plus Fund requires funds to be deposited for a minimum of 14 calendar days. Withdrawal prior to the 14-day restriction period are subject to a penalty equal to 7 days interest on the amount withdrawn.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. The District follows State Statutes in regards to credit risk of investments. The District does not have an investment policy which further limits its investment choices.

Interest Rate Risk. Interest rate risk is the risk that changes in the interest rates of debt investments could adversely affect the fair value of an investment. The District does not have an investment policy which limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the District's investment in a single issuer. The District does not have an investment policy which addresses the concentration of credit risk.

Custodial Credit Risk. For investments in securities, custodial credit risk is the risk that in the event of a failure of the counterparty, the District will not be able to recover the value of its investment securities that are in the possession of an outside party. As of December 31, 2019, all of the District's investments were pooled with the 4M fund.

Note 3 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage for District employees and board members is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The District pays an annual premium to LMCIT. The District is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the District is not subject to a deductible. The District workers compensation coverage is retrospectively rated. With this type of coverage, final premiums are determined after loss experience is known. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

Other insurance coverage is provided through a pooled self-insurance program through the LMCIT. The District pays an annual premium to LMCIT. The District is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The District retains risk for the deductible portions of the insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the previous three years.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Note 4 UNAVAILABLE REVENUES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	Property Taxes	Due from Other Gov't's	Total
Operations	\$41,367	\$ -	\$41,367
Capital Improvement	28,898	500,000	528,898
Debt Service	12,416	-	12,416
Total unavailable revenue	<u>\$82,681</u>	<u>\$500,000</u>	<u>\$582,681</u>

Note 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not depreciated				
Construction in progress	<u>\$10,449,441</u>	<u>\$2,146,581</u>	<u>(\$11,477,274)</u>	<u>\$1,118,748</u>
Capital assets depreciated				
Equipment	100,734	30,810	-	131,544
Buildings	-	11,477,274	-	11,477,274
Infrastructure	<u>14,287,830</u>	<u>-</u>	<u>-</u>	<u>14,287,830</u>
Total capital assets being depreciated	14,388,564	11,508,084	-	25,896,648
Less accumulated depreciation for:				
Equipment	40,864	12,592	-	53,456
Buildings	-	382,576	-	382,576
Infrastructure	<u>4,104,856</u>	<u>481,581</u>	<u>-</u>	<u>4,586,437</u>
Total accumulated depreciation	4,145,720	876,749	-	5,022,469
Total capital assets depreciated, net	<u>10,242,844</u>	<u>10,631,335</u>	<u>-</u>	<u>20,874,179</u>
Total capital assets, net	<u>\$20,692,285</u>	<u>\$12,777,916</u>	<u>(\$11,477,274)</u>	<u>\$21,992,927</u>

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities:	
General government	\$12,592
Conservation of natural resources	<u>864,157</u>
Total	<u>\$876,749</u>

Note 6 LONG-TERM DEBT

In 2007, the District issued Tax Supported Bonds Series 2007A to provide funds for capital improvements. In 2013, the District issued 2013A General Obligation Bonds to finance watershed improvement projects. In addition, in 2013, the District issued a loan payable for the Enhanced TP Removal in Urban Wetland CWP Project. In 2018, the District issued 2018A General Obligation Bonds to finance the acquisition, remediation, site improvements and construction of the District's new facility.

GOVERNMENTAL ACTIVITIES

As of December 31, 2019, the governmental long-term bonded debt and loans payable of the District consisted of the following:

	Interest Rates	Issue Date	Final Maturity Date	Original Issue	Payable 12/31/19
Tax Supported Bonds:					
\$1,555,000 Series 2007A	3.75-4.75%	1/4/2007	2/1/2027	\$1,555,000	\$780,000
\$3,000,000 Series 2013A	2.00-3.00%	4/17/2013	2/1/2034	3,000,000	2,365,000
\$9,690,000 Series 2018A	3.00%	2/15/2018	2/1/2038	9,690,000	9,320,000
Unamortized premium				<u>383,462</u>	<u>345,323</u>
Total bonded indebtedness - governmental activities				<u>14,628,462</u>	<u>12,810,323</u>
Loans payable:					
MPCA Loan Payable	2.00%	12/15/2013	12/15/2023	<u>430,000</u>	<u>181,715</u>
Total District indebtedness - governmental activities				<u>\$15,058,462</u>	<u>\$12,992,038</u>

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

As of December 31, 2019, annual debt service requirements to maturity are as follows:

	Revenue (Tax Supported) Bonds						Loans payable	
	Series 2007A		Series 2013A		Series 2018A		MPCA	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$85,000	\$30,953	\$135,000	\$55,387	\$370,000	\$278,450	\$44,246	\$3,414
2021	85,000	27,447	140,000	52,638	380,000	267,200	45,132	2,525
2022	90,000	23,838	140,000	49,838	390,000	255,650	46,039	1,617
2023	95,000	20,022	145,000	46,988	405,000	243,725	46,298	692
2024	100,000	15,938	145,000	44,088	415,000	231,425	-	-
2025-2029	325,000	22,731	785,000	169,613	2,280,000	944,100	-	-
2030-2034	-	-	875,000	64,981	2,655,000	567,675	-	-
2035-2038	-	-	-	-	2,425,000	148,275	-	-
Totals	<u>\$780,000</u>	<u>\$140,929</u>	<u>\$2,365,000</u>	<u>\$483,533</u>	<u>\$9,320,000</u>	<u>\$2,936,500</u>	<u>\$181,715</u>	<u>\$8,248</u>

Governmental Activities	Beginning Balance	Additions	Reductions	Amortized Premiums	Ending Balance	Due Within One Year
Bonds payable:						
2007A general obligation bonds	\$860,000	\$ -	(\$80,000)	\$ -	\$780,000	\$85,000
2013A general obligation bonds	2,500,000	-	(135,000)	-	2,365,000	135,000
2018A general obligation bonds	9,690,000	-	(370,000)	-	9,320,000	370,000
Total bonds payable	13,050,000	-	(585,000)	-	12,465,000	590,000
Premium on bonds	365,679	-	-	(20,356)	345,323	-
Total bonded indebtedness	13,415,679	-	(585,000)	(20,356)	12,810,323	590,000
Loans payable:						
MPCA loan payable	225,086	-	(43,371)	-	181,715	44,246
Total long-term debt	<u>\$13,640,765</u>	<u>\$ -</u>	<u>(\$628,371)</u>	<u>(\$20,356)</u>	<u>\$12,992,038</u>	<u>\$634,246</u>

The 2007A and 2013A bonded debt and the loans payable are paid from the Debt Service Fund.

The 2018A bonded debt are paid from the Capital Improvement Fund.

Note 7 OPERATING LEASE

The District leases a copier from an unrelated third party. The lease is classified as an operating lease. The term of the lease is May 1, 2018 through April 30, 2023. Lease expenditures for the year ended December 31, 2019 amounted to \$7,347.

Total annual minimum future lease payments under the operating lease for the copier is as follows:

	Copier
2020	\$5,069
2021	5,069
2022	5,069
2023	1,690
Total	<u>\$16,897</u>

Note 8 DEFINED BENEFIT PENSION PLANS

A. PLAN DESCRIPTION

All full-time and certain part-time employees of the District are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Plan (the General Employees Plan) which is a cost-sharing, multiple-employer retirement plan. The plan is established and administered in accordance with Minn. Stat. chs. 353 and 356. PERA's defined benefit pension plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

The General Employees Plan (accounted for in the General Employees Fund) has multiple benefit structures with members belonging to the Coordinated Plan, the Basic Plan, or the Minneapolis Employees Retirement Fund. Coordinated Plan members are covered by Social Security and Basic Plan and Minneapolis Employees Retirement Fund members are not. The Basic Plan was closed to new members in 1967. The Minneapolis Employees Retirement Fund was closed to new members during 1978 and merged into the General Employees Plan in 2015. All new members must participate in the Coordinated Plan, for which benefits vest after five years of credited service. No District employees belong to either the Basic Plan or the Minneapolis Employees Retirement Fund.

B. BENEFITS PROVIDED

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefit provisions are established by state statute and can be modified only by the state legislature. Benefit increases are provided to benefit recipients each January.

The benefit provisions stated in the following paragraph of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

Benefits are based on a member's highest average salary for any 60 consecutive months of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Coordinated Plan member is 1.20 percent of average salary for each of the first 10 years of service and 1.70 percent of average salary for each remaining year. Under Method 2, the annuity accrual rate is 1.70 percent for Coordinated Plan members for each year of service. Only Method 2 is used for members hired after June 30, 1989.

For General Employees Plan members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90, and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. Disability benefits are available for vested members and are based on years of service and average high-five salary.

Beginning January 1, 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

C. CONTRIBUTIONS

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the state legislature. General Employees Plan members were required to contribute 6.50 percent of their annual covered salary in 2019.

In 2019, the District was required to contribute 7.50 percent of annual covered salary. The employee and employer contribution rates did not change from the previous year.

The District's contribution for the General Employees Retirement Plan for the year ended December 31, 2019, were \$90,790. The contributions are equal to the contractually required contributions as set by state statute.

D. PENSION COSTS

At December 31, 2019, the District reported a liability of \$868,018 for its proportionate share of the General Employees Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the District's proportionate share was .0157 percent. It was 0.0146 percent measured as of June 30, 2018. The District recognized pension expense of \$144,354 for its proportionate share of the General Employees Plan's pension expense.

The District also recognized \$2,022 as revenue, and pension expense, for its proportionate share of the State of Minnesota's contribution to the General Employees Plan, which qualifies as a special funding situation. Legislation requires the State of Minnesota to contribute \$16 million to the General Employees Plan for the fiscal years ended June 30, 2019, and \$6 million thereafter, through calendar year 2031.

The District's proportionate share of the net pension liability	\$868,018
State of Minnesota's proportionate share of the net pension liability associated with the District	<u>26,999</u>
Total	<u><u>\$895,017</u></u>

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

The District reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$24,442	\$ -
Changes in actuarial assumptions	-	69,400
Net collective difference between projected and actual investment earnings	-	86,553
Changes in proportion	72,174	-
Contributions paid to PERA subsequent to the measurement date	47,058	-
Total	<u>\$143,674</u>	<u>\$155,953</u>

The \$47,058 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2020	(\$16,095)
2021	(\$44,315)
2022	(\$325)
2023	1,398

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50 percent per year
Active Member Payroll Growth	3.25 percent per year
Investment Rate of Return	7.50 percent

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the General Employees Plan.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The experience study for the General Employees Plan was dated June 30, 2015. Inflation and investment assumptions were reviewed in the experience study report for the General Employees Plan dated June 27, 2019.

The long-term expected rate of return on pension plan investments is 7.50 percent. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	35.5%	5.10%
Private Markets	25.0%	5.90%
Fixed Income	20.0%	0.75%
International Equity	17.5%	5.30%
Cash Equivalents	2.0%	0.00%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.50% in 2019, which remained consistent with 2018. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the fiduciary net position of the General Employees Plan was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. CHANGES IN ACTUARIAL ASSUMPTIONS AND PLAN PROVISIONS

The following changes in actuarial assumptions and plan provisions occurred in 2019:

General Employees Fund

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

H. PENSION LIABILITY SENSITIVITY

The following presents the District's proportionate share of the net pension liability calculated using the discount rate previously disclosed, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.00 percentage point lower or 1.00 percentage point higher than the current discount rate:

	Proportionate Share of the	
	Discount	Net Pension
	Rate	Liability
1% Decrease	6.50%	\$1,426,975
Current	7.50%	868,018
1% Increase	8.50%	406,488

I. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the internet at www.mnpera.org.

Note 9 COMPENSATED ABSENCES

Changes in compensated absences during 2019 are:

Balance January 1, 2019	\$83,645
Additions	140,061
Deductions	(117,953)
Balance December 31, 2019	<u>\$105,753</u>
Due within one year	<u>\$105,753</u>

CAPITOL REGION WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Note 10 FUND BALANCE

A. CLASSIFICATIONS

At December 31, 2019, a summary of the governmental funds' fund balance classifications are as follows:

	Operations	Capital Improvement	Debt Service	Total
Restricted to:				
Debt service	\$ -	\$ -	\$186,691	\$186,691
Total restricted	-	-	186,691	186,691
Assigned to:				
Capital improvement	-	4,763,226	-	4,763,226
Total assigned	-	4,763,226	-	4,763,226
Unassigned	1,891,113	-	-	1,891,113
Total	<u>\$1,891,113</u>	<u>\$4,763,226</u>	<u>\$186,691</u>	<u>\$6,841,030</u>

Note 11 RECENTLY ISSUED ACCOUNTING STANDARDS

The Governmental Accounting Standards Board (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 87 *Leases*. The provisions of this Statement were originally effective for reporting periods beginning after December 15, 2019. However, GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, postponed the effective date of this Statement for 18 months.

Statement No. 89 *Accounting for Interest Cost Incurred before the End of a Construction Period*. The provisions of this Statement were originally effective for reporting periods beginning after December 15, 2019. However, GASB Statement No. 95 postponed the effective date of this Statement for one year.

Statement No. 91 *Conduit Debt Obligations*. The provisions of this Statement were originally effective for reporting periods beginning after December 15, 2020. However, GASB Statement No. 95 postponed the effective date of this Statement for one year.

The effect these standards may have on future financial statements is not determinable at this time, but it is expected that Statement No. 87 may have a material impact.

REQUIRED SUPPLEMENTARY INFORMATION

CAPITOL REGION WATERSHED DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - OPERATIONS FUND
For The Year Ended December 31, 2019

Schedule 1

	Budgeted Amounts		2019 Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amounts	
Revenues:				
Tax levy	\$3,540,000	\$3,530,000	\$3,471,248	(\$58,752)
Intergovernmental	45,000	45,000	-	(45,000)
Interest income	1,000	11,000	43,102	32,102
Permit fees	20,000	20,000	12,900	(7,100)
Miscellaneous	-	-	56,288	56,288
Total revenues	<u>3,606,000</u>	<u>3,606,000</u>	<u>3,583,538</u>	<u>(22,462)</u>
Expenditures:				
Administrative	437,840	437,840	774,310	(336,470)
Programs	2,954,122	2,954,122	2,177,780	776,342
Projects	1,369,178	1,369,178	952,120	417,058
Total expenditures	<u>4,761,140</u>	<u>4,761,140</u>	<u>3,904,210</u>	<u>856,930</u>
Revenues over expenditures	<u>(\$1,155,140)</u>	<u>(\$1,155,140)</u>	(320,672)	<u>\$834,468</u>
Fund balance - January 1			<u>2,211,785</u>	
Fund balance - December 31			<u>\$1,891,113</u>	

The notes to the required supplementary information are an integral part of this schedule.

CAPITOL REGION WATERSHED DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY* -
GENERAL EMPLOYEES RETIREMENT PLAN
December 31, 2019

Schedule 2

Measurement Date	Fiscal Year Ending	Capitol Region's Proportionate (Percentage) of the Net Pension Liability	Capitol Region's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with Capitol Region (b)	Capitol Region's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with Capitol Region (a+b)	Covered Payroll (c)	Capitol Region's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2019	December 31, 2019	0.0157%	\$868,018	\$26,999	\$895,017	\$1,108,525	78.3%	80.2%
June 30, 2018	December 31, 2018	0.0146%	\$809,948	\$26,605	\$836,553	\$983,376	82.4%	79.5%
June 30, 2017	December 31, 2017	0.0144%	\$919,286	\$11,545	\$930,831	\$926,534	99.2%	75.9%
June 30, 2016	December 31, 2016	0.0133%	\$1,079,894	\$14,131	\$1,094,025	\$825,946	130.7%	68.9%
June 30, 2015	December 31, 2015	0.0134%	\$694,458	\$ -	\$694,458	\$790,289	87.9%	78.2%

* The schedule is provided prospectively beginning with the District's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

CAPITOL REGION WATERSHED DISTRICT**REQUIRED SUPPLEMENTARY INFORMATION****Schedule 3****SCHEDULE OF PENSION CONTRIBUTIONS* - GENERAL EMPLOYEES RETIREMENT PLAN**

December 31, 2019

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered-Employee Payroll (b/c)
December 31, 2019	\$90,790	\$90,790	\$0	\$1,210,539	7.5%
December 31, 2018	\$77,347	\$77,347	\$0	\$1,031,305	7.5%
December 31, 2017	\$71,261	\$71,261	\$0	\$950,146	7.5%
December 31, 2016	\$64,434	\$64,434	\$0	\$859,120	7.5%
December 31, 2015	\$53,516	\$61,749	(\$8,233)	\$823,317	7.5%

* The schedule is provided prospectively beginning with the District's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

The notes to the required supplementary information are an integral part of this schedule.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

Note A LEGAL COMPLIANCE – BUDGETS

The Operations Fund budget is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level. Total fund expenditures did not exceed appropriations in the Operations Fund.

The Board of Managers adopts an annual budget for the Operations Fund of the District. During the budget year, supplemental appropriations and deletions are or may be authorized by the Board. The modified accrual basis of accounting is used by the District for budgeting data. All appropriations end with the fiscal year for which they were made.

The District monitors budget performance on the fund basis. All amounts over budget have been approved by the Board through the disbursement approval process.

Note B PENSION INFORMATION

PERA – General Employees Retirement Plan

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018

Changes in the Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter, to 1.25 percent per year.
- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90 percent funding to 50 percent of the Social Security cost of living adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.

CAPITOL REGION WATERSHED DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to the Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions

2017 Changes

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members (30% for deferred Minneapolis Employees Retirement Fund members). The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.
- Minneapolis Employees Retirement Fund plan provisions change the employer supplemental contribution to \$21,000,000 in PERA's calendar years 2017 and 2018 and returns \$31,000,000 through calendar year 2031. The state's required contribution is \$16,000,000 in PERA's fiscal years 2018 and 2019 and returns to \$6,000,000 annually through calendar 2031.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

SUPPLEMENTARY INFORMATION

CAPITOL REGION WATERSHED DISTRICT**BUDGETARY COMPARISON SCHEDULE - CAPITAL IMPROVEMENT FUND****Schedule 4**

For The Year Ended December 31, 2019

	Budgeted Amounts		2019 Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
General property taxes	\$3,525,479	\$3,525,479	\$2,424,933	(\$1,100,546)
Intergovernmental	397,000	397,000	258,649	(138,351)
Interest income	-	-	109,300	109,300
Total revenues	<u>3,922,479</u>	<u>3,922,479</u>	<u>2,792,882</u>	<u>(1,129,597)</u>
Expenditures:				
Current:				
Conservation of natural resources:				
Como Lake BMP	1,172,200	1,172,200	150,531	1,021,669
Loeb Lake BMP	82,980	82,980	54,373	28,607
Trout Brook BMP	110,000	110,000	-	110,000
Wetland, stream, and ecosystem restoration	30,000	30,000	17,164	12,836
Mississippi River Subwatershed -implementation	834,090	834,090	467,992	366,098
Special projects and grants	719,780	719,780	91,801	627,979
Total conservation of natural resources	<u>2,949,050</u>	<u>2,949,050</u>	<u>781,861</u>	<u>2,167,189</u>
Capital outlay	<u>917,320</u>	<u>917,320</u>	<u>2,146,581</u>	<u>(1,229,261)</u>
Total expenditures	<u>3,866,370</u>	<u>3,866,370</u>	<u>2,928,442</u>	<u>937,928</u>
Net change in fund balance	<u>\$56,109</u>	<u>\$56,109</u>	<u>(135,560)</u>	<u>(\$191,669)</u>
Fund balance - January 1			4,898,786	
Fund balance - December 31			<u>\$4,763,226</u>	

APPENDIX D

Stormwater Pollution Prevention Report

Introduction: This document is a formatted version of the MS4 Annual Report for 2019, which is completed online by each MS4 permittee. This report is a summary of activities completed under the 2013 MS4 Permit (Permit) between January 1, 2019, and December 31, 2019. For more information about the annual report, please visit the Minnesota Pollution Control Agency's (MPCA) MS4 annual report website at https://stormwater.pca.state.mn.us/index.php?title=MS4_Annual_Report.

MS4 general contact information

Full name: Anna Eleria Title: Planning, Projects, and Grants Division Manager
Mailing address: 595 Aldine Street
City: Saint Paul State: Minnesota Zip code: 55104
Phone: 651-644-8888 Email: aeleria@capitolregionwd.org

Preparer contact information (if different from the MS4 General contact)

Full name: Rachel Funke Title: Urban BMP Technician
Organization: Capitol Region Watershed District
Mailing address: 595 Aldine Street
City: Saint Paul State: Minnesota Zip code: 55104
Phone: 6516448888 Email: rfunke@capitolregionwd.org

MCM 1: Public education and outreach

The following questions refer to Part III.D.1. of the Permit.

For new permittees only: Since this annual report is for a time period prior to the deadline for this minimum control measure (MCM), the following questions are optional.

Q2 Did you select a stormwater-related issue of high priority to be emphasized during this Permit term? [Part III.D.1.a.(1)] Yes

Q3 If "Yes" in Q2, what is your stormwater-related issue(s)?

Q3 Options	Q3 – your answers
Q3:1 TMDL(s)	
Q3:2 Local businesses	Local businesses
Q3:3 Residential BMPs	Residential BMPs
Q3:4 Pet waste	Pet waste
Q3:5 Yard waste	Yard waste
Q3:6 Deicing materials	Deicing materials
Q3:7 Household chemicals	
Q3:8 Construction activities	Construction activities
Q3:9 Post-construction activities	Post-construction activities
Q3:10 Other	

If "Other," describe:

Q4 Have you distributed educational materials or equivalent outreach to the public focused on illicit discharge recognition and reporting? [Part III.D.1.a.(2)] No

- Q5 Do you have an implementation plan as required by the Permit? [Part III.D.1.b.] Yes
- Q6 How did you distribute educational materials or equivalent outreach? [Part III.D.1.a.] [see table below]
- Q7 For the items listed in Q6, who is the intended audience? [see table below]
- Q8 For the items listed in Q6, enter the total circulation/audience below (if unknown, use best estimate). [see table below]

Options	Q6 – your answers	Q7	Q7	Q7	Q7	Q7	Q7	Q8
		Residents	Local businesses	Developers	Students	Employees	Other	Total
Brochure	Brochure	Residents	Local Businesses	Developers	Students	Employees	Other	7000
Newsletter	Newsletter	Residents			Students	Employees	Other	1200
Utility bill insert: merge								
Newspaper ad	Newspaper ad	Residents	Local Businesses				Other	888487
Radio ad								
Television ad								
Cable access channel								
Stormwater-related event	Stormwater-related event	Residents	Local Businesses	Developers				2000
School project or presentation	School presentation or project	Residents		Developers	Students		Other	635
Website	Website	Residents	Local Businesses	Developers	Students	Employees	Other	18000
Other (1)	Other (1)	Residents	Local Businesses	Developers	Students	Employees	Other	81917
	describe: Social Media							
Other (2)	Other (2)	Residents	Local Businesses	Developers	Students	Employees	Other	550
	describe: Tour/Workshop							
Other (3)	Other (3)	Residents	Local Businesses	Developers	Students	Employees	Other	13000
	describe: Grant-funded Partner Event							

For Q9 and Q10 below, provide a brief description of each activity related to public education and outreach (e.g., rain garden workshop, school presentation, public works open house) held and the date each activity was held from January 1, 2019 to December 31, 2019. [Part III.D.1.c.(4)]

Q9 Date of activity	Q10 Description of activity
12/31/2019	CRWD Open House for neighborhood and colleagues
2/23/2029	Phalen Freeze Fest - Community Event with education, art and performance activities
4/27/2019	Saint Paul Citywide Community Cleanup events
6/13/2019	Science Museum of Minnesota - citizen science workshop
7/17/2019	East Side Health and Wellness Community Celebration
8/5/2019	Day one of Water Heroes youth camp at Saint Paul Rec Center
9/24/2019	Blooming Saint Paul Awards program
10/27/2019	Rice and Larpenteur Fall Festival and Community Garden Gathering

- Q11 Between January 1, 2019, and December 31, 2019, did you modify your BMPs, measurable goals, or future plans for your public education and outreach program? [Part IV.B.] No
- If "Yes," describe those modifications:

MCM 2: Public participation/involvement

The following questions refer to Part III.D.2.a. of the Permit.

For new permittees only: Since this annual report is for a time period prior to the deadline for this MCM, the following questions are optional.

- Q12 You must provide a minimum of one opportunity each year for the public to provide input on the Yes

adequacy of your Stormwater Pollution Prevention Program (SWPPP). Did you provide this opportunity between January 1, 2019, and December 31, 2019? [Part III.D.2.a.(1)]

Q13 If 'Yes' in Q12, what was the opportunity that you provided?

Q13 Options	Q13 – your answers
Q13:1 Public meeting	Public meeting
Q13:2 Public event	
Q13:3 Other	

Q14 If 'Public meeting' in Q13, did you hold a stand-alone meeting or combine it with another event?

Combined

Date of the public meeting:

6/19/2019

Number of citizens that attended and were informed about your SWPPP:

0

Q15 If "Public event" in Q13, describe:

Date of the public event:

Number of citizens that attended and were informed about your SWPPP:

Q16 If "Other" in Q13, describe:

Date of this action:

Number of citizens that attended and were informed about your SWPPP:

Q17 Between January 1, 2019, and December 31, 2019, did you receive any input regarding your SWPPP?

No

If 'Yes,' enter the total number of individuals or organizations that provided comments on your SWPPP:

Q18 If 'Yes' in Q17, did you modify your SWPPP as a result of written input received? [Part III.D.2.b.(2)]

If "Yes," describe those modifications:

Q19 Between January 1, 2019, and December 31, 2019, did you modify your BMPs, measurable goals, or future plans for your public education and outreach program? [Part IV.B.]

No

If "Yes," describe those modifications:

MCM 3: Illicit discharge detection and elimination

The following questions refer to Part III.D.3. of the Permit.

Q20 Do you have a regulatory mechanism which prohibits non-stormwater discharges to your MS4?

Yes

For new permittees only: Since this annual report is for a time period prior to the deadline for this MCM, the following questions are optional.

Q21 Did you identify any illicit discharges between January 1, 2019, and December 31, 2019? [Part III.D.3.h.(4)]

Yes

Q22 If 'Yes' in Q21, enter the number of illicit discharges detected:

5

Q23 If 'Yes' in Q21, how did you discover these illicit discharges:

Q23 Options	Q23 – your answers
Q23:1 Public complaint	Public complaint
Q23:2 Staff	Staff

Q24 If 'Public complaint' in Q23, enter the number discovered by the public:

1

Q25 If 'Staff' in Q23, enter the number discovered by staff:

4

- Q26 If 'Yes' in Q21, did any of the discovered illicit discharges result in an enforcement action (this includes verbal warnings)? Yes
- Q27 If 'Yes' in Q26, what type of enforcement action(s) was taken and how many of each action were issued between January 1, 2019, and December 31, 2019?

Q27 Options	Q27 – your answers	
Q27:1 Verbal warning	Verbal warning	5
Q27:2 Notice of violation		
Q27:3 Fine		
Q27:4 Criminal action		
Q27:5 Civil penalty		
Q27:6 Other		

If "Other," describe:

- Q28 If 'Yes' in Q26, did the enforcement action(s) taken sufficiently address the illicit discharge(s)? Yes
- Q29 If 'No' in Q28, why was the enforcement not sufficient to address the illicit discharge(s):

- Q30 Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your illicit discharge regulatory mechanism(s)? [Part III.B.] Yes
- Q31 Between January 1, 2019, and December 31, 2019, did you train all field staff in illicit discharge recognition (including conditions which could cause illicit discharges) and reporting illicit discharges for further investigations? [Part III.D.3.e.] Yes

- Q32 If 'Yes' in Q31, how did you train your field staff?

Q32 Options	Q32 – your answers
Q32:1 Email	
Q32:2 PowerPoint	
Q32:3 Presentation	
Q32:4 Video	
Q32:5 Field training	
Q32:6 Other	Other

If "Other," describe:

IDDE Plan Review

The following questions refer to Part III.C.1. of the Permit.

- Q33 Did you update your storm sewer system map between January 1, 2019, and December 31, 2019? [Part III.C.1.] Yes
- For new permittees only**, the question instead is: Have you developed a storm sewer system map? [Part III.C.1.]
- Q34 Does your storm sewer map include all pipes 12 inches or greater in diameter and the direction of stormwater flow in those pipes? [Part III.C.1.a.] Yes
- Q35 Does your storm sewer map include outfalls, including a unique identification (ID) number and an associated geographic coordinate? [Part III.C.1.b.] Yes
- Q36 Does your storm sewer map include all structural stormwater BMPs that are part of your MS4? [Part III.C.1.c.] Yes
- Q37 Does your storm sewer map include all receiving waters? [Part III.C.1.d.] Yes
- Q38 In what format is your storm sewer map available? GIS
- If "Other," describe:

- Q39 Between January 1, 2019, and December 31, 2019, did you modify your BMPs, measurable goals, or future plans for your illicit discharge detection and elimination (IDDE) program? Yes
- If "Yes," describe those modifications:
- Developed and approved new IDDE Plan document, 2.4.2019

MCM 4: Construction site stormwater runoff control

The following questions refer to Part III.D.4. of the Permit.

- Q40 Do you have a regulatory mechanism that is at least as stringent as the Agency's general permit to Discharge Stormwater Associated with Construction Activity (CSW Permit) No. MN R100001 (<http://www.pca.state.mn.us/index.php/view-document.html?gid=18984>) for erosion and sediment controls and waste controls? [Part III.D.4.a.] Yes
- Q41 Have you developed written procedures for site plan reviews as required by the Permit? [Part III.D.4.b.] Yes
- Q42 Have you documented each site plan review as required by the Permit? [Part III.D.4.f.] Yes
- Q43 Enter the number of site plan reviews conducted for sites an acre or greater between January 1, 2019, and December 31, 2019: 29
- Q44 What types of enforcement actions do you have available to compel compliance with your regulatory mechanism? Check all that apply and enter the number of each used from January 1, 2019, to December 31, 2019.

Q44 Options	Q44 – your answers	
Q44:1 Verbal warning		
Q44:2 Notice of violation	Notice of violation	712
Q44:3 Administrative order		
Q44:4 Stop-work order	Stop-work orders	2
Q44:5 Fine		
Q44:6 Forfeit of security bond money	Forfeit of security of bond money	0
Q44:7 Withholding of certificate of occupancy		
Q44:8 Criminal action		
Q44:9 Civil penalty	Civil penalties	0
Q44:10 Other		

If "Other," describe:

- Q45 Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your construction site stormwater runoff control regulatory mechanism(s)? Yes
- Q46 Enter the number of active construction sites an acre or greater that were in your jurisdiction between January 1, 2019, and December 31, 2019: 60
- Q47 Do you have written procedures for identifying priority sites for inspections? [Part III.D.4.d.(1)] Yes
- Q48 If 'Yes' in Q47, how are sites prioritized for inspections?

Q48 Options	Q48 – your answers
Q48:1 Site topography	
Q48:2 Soil characteristics	
Q48:3 Type of receiving water(s)	Types of receiving water(s)
Q48:4 Stage of construction	Stage of construction
Q48:5 Compliance history	Compliance history
Q48:6 Weather conditions	
Q48:7 Citizen complaints	Citizen complaints
Q48:8 Project size	
Q48:9 Other	Other

If "Other," describe:

Staff availability/ work schedule

- Q49 Do you have a checklist or other written means to document site inspections when determining compliance? [Part III.D.4.d.(4)] Yes

Q50 Enter the number of site inspections conducted for sites an acre or greater between January 1, 2019, and December 31, 2019: 1048

Q51 Enter the frequency at which site inspections are conducted (e.g. daily, weekly, monthly): [Part III.D.4.d.(2)]:
biweekly

Q52 Enter the number of trained inspectors that were available for construction site inspections between January 1, 2019, and December 31, 2019: 4

Q53 Provide the contact information for the inspector(s) and/or organization that conducts construction stormwater inspections for your MS4. List your primary construction stormwater contact first if you have multiple inspectors.

1 Inspector name: Elizabeth Hosch
 Organization: Capitol Region Watershed District
 Office phone: 651-644-8888
 Work/Cell phone:
 Email address: ehosch@capitolregionwd.org
 Preferred contact method: email

2 Inspector name: Luke Martinosky
 Organization: CRWD
 Office phone: 651-644-8888
 Work/Cell phone:
 Email address: lmartinosky@capitolregionwd.org
 Preferred contact method: email

3 Inspector name: Eric Osterdyk
 Organization: Wenck and Associates
 Office phone: 651-395-5237
 Work/Cell phone:
 Email address: eosterdyk@wenck.com
 Preferred contact method: email

Q54 What training did inspectors receive?

Q54 Options	Q54 – your answers
Q54:1 University of Minnesota Erosion and Stormwater Management Certification Program	University of Minnesota Erosion and Stormwater Management Certification Program
Q54:2 Qualified Compliance Inspector of Stormwater (QCIS)	
Q54:3 Minnesota Laborers Training Center Stormwater Pollution Prevention Plan Installer or Supervisor	
Q54:4 Minnesota Utility Contractors Association Erosion Control Training	
Q54:5 Certified Professional in Erosion and Sediment Control (CPESC)	
Q54:6 Certified Professional in Stormwater Quality (CPSWQ)	
Q54:7 Certified Erosion, Sediment and Storm Water Inspector (CESSWI)	Certified Erosion, Sediment and Storm Water Inspector (CESSWI)
Q54:8 Other	Other

If "Other," describe:

On-the-job training with other inspection staff

Q55 Between January 1, 2019, and December 31, 2019, did you modify your BMPs, measurable goals, or future plans for your construction site stormwater runoff control program? [Part IV.B.] No

If "Yes," describe those modifications:

MCM 5: Post construction stormwater management

The following questions refer to Part III.D.5. of the Permit.

Q56 Do you have a regulatory mechanism which meets all requirements as specified in Part III.D.5.a of the Permit? Yes _____

Q57 What approach are you using to meet the performance standard for Volume, Total Suspended Solids (TSS), and Total Phosphorus (TP) as required by the Permit? [Part III.D.5.a.(2)] Check all that apply. Refer to the MPCA website at <http://www.pca.state.mn.us/index.php/view-document.html?gid=17815> for guidance on stormwater management approaches.

Q57 Options	Q57 – your answers
Q57:1 Retain a runoff volume equal to one inch times the area of the proposed increase of impervious surfaces on-site	
Q57:2 Retain the post-construction runoff volume on site for the 95th percentile storm	
Q57:3 Match the pre-development runoff conditions	
Q57:4 Adopt the Minimal Impact Design Standards (MIDS)	Adopt the Minimal Impact Design Standards (MIDS)
Q57:5 An approach has not been selected	
Q57:6 Other method (Must be technically defensible--e.g., based on modeling, research and acceptable engineering practices)	

If "Other," describe:

Q58 Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your post-construction stormwater management regulatory mechanism(s)? [Part III.B.] Yes _____

Q59 Between January 1, 2019, and December 31, 2019, did you modify your BMPs, measurable goals, or future plans for your post-construction site stormwater management program? [Part IV.B.] No _____

If "Yes," describe those modifications:

MCM 6: Pollution prevention/good housekeeping for municipal operations

The following questions refer to Part III.D.6. of the Permit.

For new permittees only: Since this annual report is for a time period prior to the deadline for this MCM, the following questions are optional.

Q60 Enter the total number of structural stormwater BMPs, outfalls (excluding underground outfalls), and ponds within your MS4 (exclude privately owned).

Q60:a Structural stormwater BMPs

32 _____

Q60:b Outfalls

1 _____

Q60:c Ponds

0 _____

Q61 Enter the number of structural stormwater BMPs, outfalls (excluding underground outfalls), and ponds that were inspected from January 1, 2019, to December 31, 2019, within your MS4 (exclude privately owned). [Part III.D.6.e.]

Q61:a Structural stormwater BMPs

32 _____

Q61:b Outfalls

1 _____

Q61:c Ponds

0 _____

Q62 Have you developed an alternative inspection frequency for any structural stormwater BMPs, as allowed in Part III.D.6.e.(1) of the Permit? No _____

Q63 Based on inspection findings, did you conduct any maintenance on any structural stormwater BMPs? [Part III.D.6.e.(1)] Yes _____

Q64

If 'Yes,' briefly describe the maintenance that was conducted:

BMP maintenance included regular removal of sediment, debris, and trash and catch basin cleaning twice a year. In the spring, plants and mulch were replaced as needed. The pretreatment structures of multiple BMPs were retrofitted to be more effective

Q65

Do you own or operate any stockpiles, and/or storage and material handling areas? [Part III.D.6.e.(3)]

No

Q66

If 'Yes' in Q65, did you inspect all stockpiles and storage and material handling areas quarterly? [Part III.D.6.e.(3)]

Q67

If 'Yes' in Q66, based on inspection findings, did you conduct maintenance at any of the stockpiles and/or storage and material handling areas?

Q68

If 'Yes' in Q67, briefly describe the maintenance that was conducted:

Q69

Between January 1, 2019, and December 31, 2019, did you modify your BMPs, measurable goals, or future plans for your pollution prevention/good housekeeping for municipal operations program? [Part IV.B.]

No

If 'Yes' in Q69, describe those modifications:

Discharges to impaired waters with an USEPA-approved TMDL that includes an applicable WLA

If required, you must complete the TMDL Annual Report Form, available on the MPCA's website at https://stormwater.pca.state.mn.us/index.php?title=Download_page_with_TMDL_forms.

Attach your completed TMDL Annual Report Form as instructed in the online Annual Report. [Part III.E]

Q71

If a file was successfully uploaded, a reference number will appear:

ref:0000000088:Q71

Alum or Ferric Chloride Phosphorus Treatment Systems (not required)

The following questions refer to Part III.F.3.a. of the Permit. Provide the information below as it pertains to your alum or ferric chloride phosphorus treatment system.

Q72

Date(s) of operation (mm/dd/yyyy - mm/dd/yyyy)

January

February

March

April

May

June

July

August

September

October

November

December

	Q73	Q74	Q75	Q76
Month	Chemical(s) used for treatment	Gallons of alum or ferric chloride treatment	Gallons of water treated	Calculated pounds of phosphorus removed
January				
February				
March				
April				
May				
June				

July				
August				
September				
October				
November				
December				

Q77 Any performance issues and corrective action(s), including the date(s) when corrective action(s) were taken, between January 1, 2019, and December 31, 2019:

Partnerships

Q78 Did you rely on any other regulated MS4s to satisfy one or more Permit requirements? Yes

Q79 If 'Yes' in Q78, describe the agreements you have with other regulated MS4s and which Permit requirements the other regulated MS4s help satisfy: [Part IV.B.6.]

Capitol Region Watershed District partners with the City of Saint Paul (Phase I MS4) and contracts with Hamline University to implement the Adopt-A-Drain (AAD) program. The program goal is to improve water quality by empowering local community members to take visible, tangible, and meaningful action towards responsible management of water resources by "adopting a storm drain". Actions include signing up online, collecting and removing debris from the storm drain and reporting how much was collected and removed. There are currently over 600 residents participating in the program in the City of Saint Paul / CRWD.

Additional information

If you would like to provide any additional files to accompany your annual report, use the space below to upload those files. For each space, you may attach one file. You may provide additional explanation and/or information in an email with the subject YourMS4NameHere_2019AR to ms4permitprogram.pca@state.mn.us.

Q80 If a file was successfully uploaded, a reference number will appear:
ref:0000000088:Q80

Q81 If a file was successfully uploaded, a reference number will appear:

Q82 If a file was successfully uploaded, a reference number will appear:

Q83 Optional, describe the file(s) uploaded:
CRWD's 2019 Annual Report for BWSR

Owner of operator certification

The person with overall administrative responsibility for SWPPP implementation and Permit compliance must certify this MS4 Annual Report. This person must be duly authorized and should be either a principal executive (i.e., Director of Public Works, City Administrator) or ranking elected official (i.e., Mayor, Township Supervisor).

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete (Minn. R. 7001.0070). I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment (Minn. R. 7001.0540)?

Yes

By typing my name in the following box, I certify the above statements to be true and correct, to the best of my knowledge, and that information can be used for the purpose of processing my MS4 Annual Report.

Name: Mark Doneux

Title:	Administrator
Date:	6/29/2020