

CHAPTER 103B

WATER PLANNING AND PROJECT IMPLEMENTATION

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GENERAL PROVISIONS

103B.001 EFFECT OF CHAPTER 103B ON WATER LAW.

Chapters 103A, 103B, 103C, 103D, 103E, 103F, and 103G constitute the water law of this state and may be cited as the Water Law.

History: 1990 c 391 art 2 s 1

BOARD OF WATER AND SOIL RESOURCES

103B.101 BOARD OF WATER AND SOIL RESOURCES.

Subdivision 1. **Membership.** The Board of Water and Soil Resources is composed of 15 appointed members knowledgeable of water and soil problems and conditions within the state and five ex officio members.

Subd. 2. **Voting members.** (a) The members are:

- (1) three county commissioners;
- (2) three soil and water conservation district supervisors;
- (3) three watershed district or watershed management organization representatives;
- (4) three citizens who are not employed by, or the appointed or elected officials of, a state governmental office, board, or agency;
- (5) one township officer;
- (6) two elected city officials, one of whom must be from a city located in the metropolitan area, as defined under section 473.121, subdivision 2;
- (7) the commissioner of agriculture;
- (8) the commissioner of health;
- (9) the commissioner of natural resources;

(10) the commissioner of the Pollution Control Agency; and

(11) the director of the University of Minnesota Extension Service.

(b) Members in paragraph (a), clauses (1) to (6), must be distributed across the state with at least four members but not more than six members from the metropolitan area, as defined by section 473.121, subdivision 2.

(c) Members in paragraph (a), clauses (1) to (6), are appointed by the governor. In making the appointments, the governor may consider persons recommended by the Association of Minnesota Counties, the Minnesota Association of Townships, the League of Minnesota Cities, the Minnesota Association of Soil and Water Conservation Districts, and the Minnesota Association of Watershed Districts. The list submitted by an association must contain at least three nominees for each position to be filled.

(d) The membership terms, compensation, removal of members and filling of vacancies on the board for members in paragraph (a), clauses (1) to (6), are as provided in section 15.0575.

Subd. 3. [Repealed, 1997 c 28 s 4]

Subd. 4. **Employees.** The board may employ an executive director in the unclassified service and other permanent and temporary employees in accordance with chapter 43A. The board may prescribe the powers and duties of its officers and employees and may authorize its employees and members of the board to act on behalf of the board.

Subd. 5. **Officers.** The governor shall appoint a chair from among the members of the board in subdivision 2, paragraph (a), clauses (1) to (4), with the advice and consent of the senate. The board shall elect a vice-chair and any other officers that it considers necessary from its membership.

Subd. 6. **Quorum.** A majority of the board is a quorum.

Subd. 7. **Hearings, orders, and rulemaking.** The board may hold public hearings and adopt rules and orders necessary to execute its duties.

Subd. 8. [Repealed, 1997 c 28 s 4]

Subd. 8a. **Bylaws and conflict of interest.** The board shall adopt bylaws that include provisions to prevent or address conflict of interest.

Subd. 9. **Powers and duties.** In addition to the powers and duties prescribed elsewhere, the board shall:

(1) coordinate the water and soil resources planning and implementation activities of counties, soil and water conservation districts, watershed districts, watershed management organizations, and any other local units of government through its various authorities for approval of local plans, administration of state grants, contracts and easements, and by other means as may be appropriate;

(2) facilitate communication and coordination among state agencies in cooperation with the Environmental Quality Board, and between state and local units of government, in order to make the expertise and resources of state agencies involved in water and soil resources management available to the local units of government to the greatest extent possible;

(3) coordinate state and local interests with respect to the study in southwestern Minnesota under United States Code, title 16, section 1009;

(4) develop information and education programs designed to increase awareness of local water and soil resources problems and awareness of opportunities for local government involvement in preventing or solving them;

(5) provide a forum for the discussion of local issues and opportunities relating to water and soil resources management;

(6) adopt an annual budget and work program that integrate the various functions and responsibilities assigned to it by law; and

(7) report to the governor and the legislature by October 15 of each even-numbered year with an assessment of board programs and recommendations for any program changes and board membership changes necessary to improve state and local efforts in water and soil resources management.

The board may accept grants, gifts, donations, or contributions in money, services, materials, or otherwise from the United States, a state agency, or other source to achieve an authorized or delegated purpose. The board may enter into a contract or agreement necessary or appropriate to accomplish the transfer. The board may conduct or participate in local, state, or federal programs or projects that have as one purpose or effect the preservation or enhancement of water and soil resources and may enter into and administer agreements with local governments or landowners or their designated agents as part of those programs or projects. The board may receive and expend money to acquire conservation easements, as defined in chapter 84C, on behalf of the state and federal government consistent with the Camp Ripley's Army Compatible Use Buffer Project.

Any money received is hereby deposited in an account in a fund other than the general fund and appropriated and dedicated for the purpose for which it is granted.

Subd. 10. **Committee for dispute resolution.** A committee of the board is established to hear and resolve disputes, appeals, and interventions under sections 103A.301 to 103A.341; 103B.101; 103B.231; 103B.345; 103D.535; 103D.537; and 103G.2242, subdivision 9. The committee is appointed by the board chair. The board shall adopt bylaws governing committee membership and duties.

Subd. 11. [Repealed, 2009 c 172 art 2 s 32; 2009 c 176 art 1 s 52]

Subd. 12. **Authority to issue penalty orders.** (a) The board may issue an order requiring violations to be corrected and administratively assessing monetary penalties of up to \$10,000 per violation for violations of this chapter and chapters 103C, 103D, 103E, 103F, and 103G, any rules adopted under those chapters, and any standards, limitations, or conditions established by the board.

(b) Administrative penalties issued under paragraph (a) may be appealed according to section 116.072, if the recipient of the penalty requests a hearing by notifying the commissioner in writing within 30 days after receipt of the order. For the purposes of this section, the terms "commissioner" and "agency" as used in section 116.072 mean the board. If a hearing is not requested within the 30-day period, the order becomes a final order not subject to further review.

(c) Administrative penalty orders issued under paragraph (a) may be enforced under section 116.072, subdivision 9. Penalty amounts must be remitted within 30 days of issuance of the order.

Subd. 13. **Drainage stakeholder coordination.** The Board of Water and Soil Resources shall work with drainage stakeholders to foster mutual understanding and provide recommendations for drainage system management and related water management, including recommendations for updating the drainage law in chapter 103E and other related provisions. The

board may convene informal working groups or work teams to develop information, education, and recommendations.

Subd. 14. Local water management coordination. (a) The board may adopt resolutions, policies, or orders that allow a comprehensive plan, local water management plan, or watershed management plan, developed or amended, approved and adopted, according to chapter 103B, 103C, or 103D to serve as substitutes for one another or be replaced with a comprehensive watershed management plan. The board may also develop criteria for incorporating or coordinating the elements of metropolitan county groundwater plans in accordance with section 103B.255. The board shall, to the extent practicable, incorporate a watershed approach when adopting the resolutions, policies, or orders, and shall establish a suggested watershed boundary framework for development, approval, adoption, and coordination of plans.

(b) The board shall work with local government stakeholders and others to foster mutual understanding and develop recommendations for local water management and related state water management policy and programs. The board may convene informal working groups or work teams to develop information, education, and recommendations. Local government units may develop and carry out TMDL implementation plans, or their equivalent, as provided in chapter 114D, as part of the local water management plans and responsibilities under chapters 103B, 103C, and 103D.

Subd. 15. Local water management boundary and plan determinations and appeals. (a) Local government units may either submit a request for a plan boundary determination as part of a plan approval request or apply separately for a plan boundary determination from the board before requesting plan approval. Local government units must provide written documentation of the rationale and justification for the proposed boundary. The board may request additional information needed to make a plan boundary determination.

(b) Local government units may appeal a board decision to deny approval of a plan or the establishment of a plan boundary. An appeal of a board decision may be taken to the state Court of Appeals and must be considered an appeal from a contested case decision for purposes of judicial review under sections 14.63 to 14.69. Local government units may request the board's dispute resolution committee or executive director to hear and make recommendations to resolve boundary and plan implementation disputes.

History: 1990 c 391 art 2 s 2; 1992 c 399 s 1; 1997 c 28 s 1-3; 1997 c 109 s 1; 2004 c 228 art 1 s 23; 1Sp2005 c 1 art 2 s 116; 2007 c 57 art 1 s 103; 2009 c 176 art 1 s 23,24; 2010 c 298 s 1; 1Sp2010 c 1 art 14 s 5; 1Sp2011 c 2 art 5 s 63; 2012 c 272 s 28-33

103B.102 LOCAL WATER MANAGEMENT ACCOUNTABILITY AND OVERSIGHT.

Subdivision 1. **Findings; improving accountability and oversight.** The legislature finds that a process is needed to monitor the performance and activities of local water management entities. The process should be preemptive so that problems can be identified early and systematically. Underperforming entities should be provided assistance and direction for improving performance in a reasonable time frame.

Subd. 2. **Definitions.** For the purposes of this section, "local water management entities" means watershed districts, soil and water conservation districts, metropolitan water management organizations, and counties operating separately or jointly in their role as local water management authorities under chapter 103B, 103C, 103D, or 103G and chapter 114D.

Subd. 3. **Evaluation and report.** The Board of Water and Soil Resources shall evaluate performance, financial, and activity information for each local water management entity. The board shall evaluate the entities' progress in accomplishing their adopted plans on a regular basis as determined by the board based on budget and operations of the local water management entity, but not less than once every ten years. The board shall maintain a summary of local water management entity performance on the board's Web site. Beginning February 1, 2008, and annually thereafter, the board shall provide an analysis of local water management entity performance to the chairs of the house of representatives and senate committees having jurisdiction over environment and natural resources policy.

Subd. 4. **Corrective actions.** (a) In addition to other authorities, the Board of Water and Soil Resources may, based on its evaluation in subdivision 3, reduce, withhold, or redirect grants and other funding if the local water management entity has not corrected deficiencies as prescribed in a notice from the board within one year from the date of the notice.

(b) The board may defer a decision on a termination petition filed under section 103B.221, 103C.225, or 103D.271 for up to one year to conduct or update the evaluation under subdivision 3 or to communicate the results of the evaluation to petitioners or to local and state government agencies.

History: 2007 c 57 art 1 s 104; 2013 c 143 art 4 s 1

STATEWIDE WATER RESOURCE PLANNING

103B.151 COORDINATION OF WATER RESOURCE PLANNING.

Subdivision 1. **Water planning.** The Environmental Quality Board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) coordinate comprehensive long-range water resources planning in furtherance of the Environmental Quality Board's "Minnesota Water Plan," published in January 1991, by September 15, 2000, and each ten-year interval afterwards;

(3) coordinate water planning activities of local, regional, and federal bodies with state water planning and integrate these plans with state strategies;

(4) coordinate development of state water policy recommendations and priorities, and a recommended program for funding identified needs, including priorities for implementing the state water resources monitoring plan;

(5) administer federal water resources planning with multiagency interests;

(6) ensure that groundwater quality monitoring and related data is provided and integrated into the Minnesota land management information system according to published data compatibility guidelines. Costs of integrating the data in accordance with data compatibility standards must be borne by the agency generating the data;

(7) coordinate the development and evaluation of water information and education materials and resources; and

(8) coordinate the dissemination of water information and education through existing delivery systems.

Subd. 2. **Governor's representative.** The Environmental Quality Board chair shall represent the governor on interstate water resources organizations.

Subd. 3. [Repealed, 1995 c 186 s 28]

History: 1990 c 391 art 2 s 3; 1994 c 557 s 13; 2008 c 363 art 5 s 16

103B.155 STATE WATER AND RELATED LAND RESOURCE PLAN.

The commissioner of natural resources, in cooperation with other state and federal agencies, regional development commissions, the Metropolitan Council, local governmental units, and citizens, shall prepare a statewide framework and assessment water and related land resources plan for presentation to the legislature by November 15, 1975, for its review and approval or disapproval. This plan must relate each of the programs of the Department of Natural Resources for specific aspects of water management to the others. The statewide plan must include:

(1) regulation of improvements and land development by abutting landowners of the beds, banks, and shores of lakes, streams, watercourses, and marshes by permit or otherwise to preserve them for beneficial use;

(2) regulation of construction of improvements on and prevention of encroachments in the flood plains of the rivers, streams, lakes, and marshes of the state;

(3) reclamation or filling of wet and overflowed lands;

(4) repair, improvement, relocation, modification or consolidation in whole or in part of previously established public drainage systems within the state;

(5) preservation of wetland areas;

(6) management of game and fish resources as related to water resources;

(7) control of water weeds;

(8) control or alleviation of damages by flood waters;

(9) alteration of stream channels for conveyance of surface waters, navigation, and any other public purposes;

(10) diversion or changing of watercourses in whole or in part;

(11) regulation of the flow of streams and conservation of their waters;

(12) regulation of lake water levels;

(13) maintenance of water supply for municipal, domestic, industrial, recreational, agricultural, aesthetic, wildlife, fishery, or other public use;

(14) sanitation and public health and regulation of uses of streams, ditches, or watercourses to dispose of waste and maintain water quality;

(15) preventive or remedial measures to control or alleviate land and soil erosion and siltation of affected watercourses or bodies of water;

(16) regulation of uses of water surfaces; and

(17) identification of high priority regions for wetland preservation, enhancement, restoration, and establishment.

History: 1990 c 391 art 2 s 4; 1991 c 354 art 2 s 1

METROPOLITAN SURFACE WATER MANAGEMENT

103B.201 METROPOLITAN WATER MANAGEMENT PROGRAM PURPOSE.

The purposes of the water management programs required by sections 103B.205 to 103B.255 are to:

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

History: 1990 c 391 art 2 s 5; 1990 c 601 s 6

103B.205 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 103B.211 to 103B.255.

Subd. 2. **Board.** "Board" means the Board of Water and Soil Resources unless the context indicates otherwise.

Subd. 3. **Capital improvement program.** "Capital improvement program" means an itemized program for at least a five-year prospective period, and any amendments to it, subject to at least biennial review, setting forth the schedule, timing, and details of specific contemplated capital improvements by year, together with their estimated cost, the need for each improvement, financial sources, and the financial effect that the improvements will have on the local government unit or watershed management organization.

Subd. 4. **Groundwater plan.** "Groundwater plan" means a county plan adopted under section 103B.255.

Subd. 5. **Groundwater system.** "Groundwater system" means one of the 14 principal aquifers of the state as defined by the United States Geological Survey in the Water-Resources Investigations 81-51, entitled "Designation of Principal Water Supply Aquifers in Minnesota" (August 1981), and its revisions.

Subd. 6. **Local comprehensive plan.** "Local comprehensive plan" has the meaning given it in section 473.852, subdivision 5.

Subd. 7. **Local government unit.** "Local government unit" or "local unit" has the meaning given it in section 473.852.

Subd. 8. **Metropolitan area.** "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

Subd. 9. **Minor watershed units.** "Minor watershed units" means the drainage areas identified and delineated as such pursuant to Laws 1977, chapter 455, section 33, subdivision 7, paragraph (a).

Subd. 10. **Official controls.** "Official controls" has the meaning given it in section 473.852.

Subd. 10a. **State review agencies.** "State review agencies" means the commissioners of natural resources, the Pollution Control Agency, agriculture, and health.

Subd. 10b. **Subwatershed unit.** "Subwatershed unit" means a hydrologic area less than the entire area under the jurisdiction of a watershed management organization.

Subd. 11. **Watershed.** "Watershed" means a drainage area having boundaries which are substantially coterminous with those of an aggregation of contiguous minor watershed units possessing similar drainage patterns and which cross the borders of two or more local government units.

Subd. 12. **Watershed district.** "Watershed district" means a district established under chapter 103D.

Subd. 13. **Watershed management organization.** "Watershed management organization" or "organization" means a watershed district wholly within the metropolitan area or a joint powers entity established wholly or partly within the metropolitan area by special law or by agreement that performs some or all of the functions of a watershed district for a watershed and that has the characteristics and the authority specified under section 103B.211. Lake improvement or conservation districts are not watershed management organizations.

History: 1990 c 391 art 2 s 6; 1990 c 601 s 7; 1995 c 184 s 1,31

103B.211 JOINT POWERS WATERSHED MANAGEMENT ORGANIZATION.

Subdivision 1. **Authority.** (a) Any agreement under section 471.59 to jointly or cooperatively manage or plan for the management of surface water in a watershed delineated pursuant to subdivision 2, as required by sections 103B.205 to 103B.255, may provide, in addition to other provisions authorized by section 471.59, for a joint board having:

(1) the authority to prepare, adopt, and implement a plan for the watershed meeting the requirements of section 103B.231;

(2) the authority to review and approve local water management plans as provided in section 103B.235;

(3) the authority of a watershed district under chapter 103D to regulate the use and development of land in the watershed when one or more of the following conditions exists:

(i) the local government unit exercising planning and zoning authority over the land under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.364, does not have a local water management plan approved and adopted in accordance with the requirements of section 103B.235 or has not adopted the implementation program described in the plan;

(ii) an application to the local government unit for a permit for the use and development of land requires an amendment to or variance from the adopted local water management plan or implementation program of the local unit; or

(iii) the local government unit has authorized the organization to require permits for the use and development of land;

(4) the authority of a watershed district under section 103D.625, to accept the transfer of drainage systems in the watershed, to repair, improve, and maintain the transferred drainage systems, and to construct all new drainage systems and improvements of existing drainage systems in the watershed, provided that: (i) projects may be carried out under the powers granted in sections 103B.205 to 103B.255 or chapter 103D or 103E; and (ii) proceedings of the board with respect to the systems must be in conformance with the watershed plan adopted under section 103B.231;

(5) the authority of a watershed district under section 103D.911 to adopt a budget and decide on the total amount necessary to be raised from ad valorem tax levies to meet the budget;

(6) the authority of a watershed district under section 103D.915 to certify its budget with the auditor of each county having territory within the joint powers watershed management organization;

(7) the authority of a watershed district under section 103D.901 to file approved assessment statements with each affected county; and

(8) other powers necessary to exercise the authority under clauses (1) to (3), including the power to enter into contracts for the performance of functions with governmental units or persons.

(b) The Board of Water and Soil Resources shall adopt rules prescribing minimum requirements for the content of watershed management organization joint powers agreements.

(c) Decisions by a joint powers board may not require more than a majority vote, except a decision on a capital improvement project, which may require no more than a two-thirds vote.

Subd. 2. Review of watershed boundaries. Before commencing planning under section 103B.231, a watershed management organization established pursuant to section 471.59 and this section shall submit a map delineating the boundaries of the watershed to the Board of Water and Soil Resources for review and comment on the conformance of the boundaries with the requirements of sections 103B.205 to 103B.255. The board shall have 60 days to comment.

Subd. 3. Jurisdiction over nonmembers. (a) A watershed management organization established by agreement pursuant to subdivision 1 may exercise the authority provided in the agreement throughout the watershed delineated, including territory in statutory and home rule charter cities and towns that are not members of the organization, if the cities and towns that are not members consent to the exercise of authority within their jurisdictions and if the membership of the organization includes:

(1) the county or counties having jurisdiction over all of the territory of the watershed that is within the cities and towns that are not members of the organization; and

(2) either cities and towns having jurisdiction over at least 50 percent of the land area of the watershed and comprising at least three-quarters of all of the cities and towns having territory in the watershed, or cities and towns having jurisdiction over at least 75 percent of the land area of the watershed.

(b) The county or counties identified in paragraph (a), clause (1), are responsible for watershed management activities and may exercise authority under sections 103B.205 to 103B.255 in and for consenting cities and towns that are not members of the organization.

Subd. 4. Appropriations from small watercourses. (a) This subdivision applies in Hennepin and Ramsey Counties to the following public waters:

(1) a public water basin or wetland wholly within the county that is less than 500 acres; or

(2) a protected watercourse that has a drainage area of less than 50 square miles.

(b) An appropriation of water that is below the minimum established in section 103G.271, subdivision 4, for a nonessential use, as defined under section 103G.291, is prohibited unless a permit is obtained from the watershed district or watershed management organization having jurisdiction over the public water basin, wetland, or watercourse. The watershed district or watershed management organization may impose a fee to cover the cost of issuing the permit. This subdivision must be enforced by the home rule charter or statutory city where the appropriation occurs. Violation of this subdivision is a petty misdemeanor, except that a second violation within a year is a misdemeanor. Affected cities shall mail notice of this law to affected riparian and adjoining landowners.

Subd. 5. [Repealed, 1991 c 199 art 1 s 16]

History: 1990 c 391 art 2 s 7; 1990 c 601 s 8; 1991 c 199 art 1 s 15; 1995 c 184 s 2

103B.215 BOUNDARY CHANGE OF WATERSHED DISTRICTS.

Subdivision 1. **Procedure.** The boundaries of a watershed district wholly within the metropolitan area may be changed pursuant to this section or chapter 103D.

Subd. 2. **Petition.** (a) The governing board of a watershed management organization may petition the Board of Water and Soil resources for an order changing the boundaries of a watershed district wholly within the metropolitan area, by adding new territory to the district or by transferring territory that is within the district to the jurisdiction of another watershed management organization.

(b) The petition must:

(1) describe with particularity the change in boundary requested, the territory affected, and the reasons for the change;

(2) show that the change is consistent with the purposes and requirements of sections 103B.205 to 103B.255; and

(3) identify property subject to section 103B.225.

(c) The petition must be accompanied by a written statement of concurrence in the petition from the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred.

Subd. 3. **Notice.** (a) Upon the filing of a sufficient petition, the board shall give notice of the filing of the petition by publication once each week for two successive weeks in a legal newspaper in each county affected and by mail to the county auditor of each county affected and to the chief official of each statutory or home rule charter city and township affected.

(b) The notice must describe the action proposed by the petition and invite written comments on the petition for consideration by the board. The notice must announce that any person who objects to the action proposed in the petition may submit a written request for hearing to the board within 20 days of the last publication of the notice of the filing of the petition, and that if no timely request for hearing is received the board will make a decision on the petition pursuant to this subdivision without conducting the public hearing required under chapter 103D.

Subd. 4. **Decision on petition.** (a) If a timely request for hearing is not received, the board shall make a decision on the petition without a hearing within 30 days after the last publication of the notice.

(b) If one or more timely requests for hearing are received the board shall hold a hearing on the petition and shall follow the procedures in chapter 103D regarding notice and conduct of hearings.

(c) After completing the procedures required by this subdivision, the board shall, by its findings and order, make the boundary change requested if the board determines that:

(1) the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred concurs in the petition;

(2) the change is consistent with the purposes and requirements of sections 103B.205 to 103B.255; and

(3) the change can be accomplished in conformance with section 103B.225.

(d) The board shall file a certified copy of the findings and order with the secretary of state. The order making the change must conform to section 103B.225. The order making the change may amend the order prescribing the distribution of managers of the district.

History: 1990 c 391 art 2 s 8

103B.221 TERMINATION OF WATERSHED DISTRICT.

Subdivision 1. **Procedure.** A watershed district wholly within the metropolitan area may be terminated pursuant to this section or chapter 103D.

Subd. 2. **Petition.** Proceedings for termination under this subdivision must be initiated by a petition to the Board of Water and Soil Resources filed jointly by the governing bodies of all statutory and home rule charter cities and towns having jurisdiction over territory within the watershed.

Subd. 3. **Hearing.** Upon the filing of a sufficient petition, the board shall hold a hearing in accordance with the procedures prescribed in chapter 103D, to take testimony on the determinations required to be made by the board.

Subd. 4. **Determination and order.** (a) Following the hearing, the board shall, by its findings and order, terminate the district as requested if the board determines:

(1) that the local units of government having jurisdiction over territory within the watershed have formed a joint powers organization for the watershed pursuant to section 103B.211;

(2) that upon termination of the district the members of the joint powers organization, jointly or severally, are willing and able to assume ownership of the district's assets and the responsibility for managing and maintaining the district's projects as necessary to accomplish the purposes of sections 103B.205 to 103B.255 and to implement the watershed plan of the joint powers organization to be developed pursuant to section 103B.231; and

(3) that the termination can be accomplished in conformance with section 103B.225.

(b) The board shall file a certified copy of the findings and order with the secretary of state. The order terminating the district must transfer the assets of the district to the joint powers organization or its members. The order must conform to section 103B.225.

History: 1990 c 391 art 2 s 9

103B.225 BOUNDARY CHANGE AND TERMINATION EFFECT ON BENEFITS AND DAMAGES.

(a) The addition or transfer of property or termination of a district under sections 103B.215 and 103B.221 must not affect the benefits or damages for any improvement previously constructed by the district having jurisdiction over the property before the board's order takes effect. The property affected is and remains liable for its proper share of any outstanding indebtedness of the watershed district applying to the property before the board's order, and levies and assessments for the indebtedness continue in force until the debt is fully paid.

(b) In order to satisfy the requirements of this section, the board may prescribe conditions on the boundary change or termination or may prescribe a later effective date for the termination of specified powers of a watershed district.

History: 1990 c 391 art 2 s 10

103B.227 WATERSHED MANAGEMENT ORGANIZATIONS.

Subdivision 1. **Appointment of members.** Watershed management organizations shall notify the Board of Water and Soil Resources of member appointments and vacancies in member positions within 30 days. Appointing authorities shall fill vacant positions by 90 days after the vacancy occurs.

Subd. 2. **Notice of board vacancies.** Appointing authorities for watershed management organization board members shall publish a notice of vacancies resulting from expiration of members' terms and other reasons. The notices must be published at least once in a newspaper of general circulation in the watershed management organization area. The notices must state that persons interested in being appointed to serve on the watershed management organization board may submit their names to the appointing authority for consideration. After December 31, 1999, staff of local units of government that are members of the watershed management organization are not eligible to be appointed to the board. Published notice of the vacancy must be given at least 15 days before an appointment or reappointment is made.

Subd. 3. **Removal.** Appointing authorities may remove members of watershed management organization boards for just cause. The Board of Water and Soil Resources shall adopt rules prescribing standards and procedures for removing members of watershed management organization boards for just cause.

Subd. 4. **Newsletter.** A watershed management organization shall publish and distribute at least one newsletter or other appropriate written communication each year to residents. The newsletter or other communication must explain the organization's water management programs and list the officers and telephone numbers.

Subd. 5. **Requests for proposals for services.** A watershed management organization shall at least every two years solicit interest proposals for legal, professional, or technical consultant services before retaining the services of an attorney or consultant or extending an annual services agreement.

Subd. 6. [Repealed, 1995 c 184 s 32]

Subd. 7. **Drainage systems.** Watershed management organizations may accept transfer of drainage systems under sections 103B.205 to 103B.255.

History: 1990 c 601 s 9; 1999 c 231 s 126

103B.231 WATERSHED PLANS.

Subdivision 1. **Requirement.** (a) A watershed management plan is required for watersheds comprising all minor watershed units wholly or partly within the metropolitan area. For minor watershed units having more than 90 percent of their area within the metropolitan area, the watershed management plan must be prepared, adopted, and implemented in accordance with the requirements of sections 103B.205 to 103B.255.

(b) Minor watershed units having 90 percent or less of their area within the metropolitan area shall prepare a plan or have the county prepare a watershed management plan for their area in accordance with the requirements of sections 103B.101 and 103B.205 to 103B.355, as determined by the Board of Water and Soil Resources.

Subd. 2. **Optional participation in metropolitan water management organization.** Local government units outside of the metropolitan area, having territory that is within a watershed part of which is subject to the requirements of this section, may enter into an agreement under section 103B.211. A local government unit that enters into an agreement under this subdivision has the duties imposed and the authority granted in sections 103B.205 to 103B.255.

Subd. 3. **Responsible units.** (a) Where a watershed management organization exists, the plan for the watershed must be prepared and adopted by the organization.

(b) If a watershed management organization located wholly outside of Hennepin and Ramsey counties, is terminated, or the Board of Water and Soil Resources determines a plan is not being implemented in accordance with its rules, the county or counties containing the watershed unit shall prepare, adopt, and implement the watershed plan and for this purpose the county or counties have the planning, review, permitting, and financing authority of a watershed management organization specified in sections 103B.211 to 103B.255.

(c) If a watershed management organization within the metropolitan area and wholly or partly within Hennepin or Ramsey counties is terminated or the Board of Water and Soil Resources determines a plan is not being implemented, the county or counties shall petition for the establishment of a watershed district under chapter 103D, provided that a district established pursuant to a petition:

(1) may not cross a primary river or a river forming the boundary between a metropolitan county and a county outside the metropolitan area; and

(2) may not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river.

(d) A watershed management organization may request a county to prepare all or part of a plan.

(e) A county may delegate the preparation of all or part of a plan to the county soil and water conservation district.

(f) Upon request of a statutory or home rule charter city or town, a county may delegate the preparation of all or part of a plan to the city or town.

(g) If the Board of Water and Soil Resources determines that a watershed management organization or county has not developed a draft plan, is not implementing the plan, has not delegated implementation of the plan, and has not petitioned for the creation of a watershed district:

- (1) state agencies may withhold from local government units state funding for water programs for projects within the watershed;
- (2) state agencies may withhold from local government units delegation of state water resource regulatory authority within the watershed;
- (3) state agencies may suspend issuance of water-related permits within the watershed; and
- (4) the board may request state agencies to withhold portions of state aid funding used for the installation of curb and gutter and other drainage facilities of public transportation projects within the watershed.

The provisions of this paragraph apply until the Board of Water and Soil Resources determines that a plan is being implemented in accordance with its rules.

(h) Appeals from the Board of Water and Soil Resources determination are made in the same manner as appeals under section 103B.345, subdivision 5.

Subd. 3a. Priority schedule. (a) The Board of Water and Soil Resources in consultation with the state review agencies and the Metropolitan Council may develop a priority schedule for the revision of plans required under this chapter.

(b) The prioritization should be based on but not be limited to status of current plan, scheduled revision dates, anticipated growth and development, existing and potential problems, and regional water quality goals and priorities.

(c) The schedule will be used by the Board of Water and Soil Resources in consultation with the state review agencies and the Metropolitan Council to direct watershed management organizations of when they will be required to revise their plans.

(d) In the event that a plan expires prior to notification from the Board of Water and Soil Resources under this section, the existing plan, authorities, and official controls of a watershed management organization shall remain in full force and effect until a revision is approved.

(e) Watershed management organizations submitting plans and draft plan amendments for review prior to the board's priority review schedule, may proceed to adopt and implement the plan revisions without formal board approval if the board fails to adjust its priority review schedule for plan review, and commence its statutory review process within 45 days of submittal of the plan revision or amendment.

Subd. 4. General standards. (a) The watershed management plan must specify the period covered by the plan and must extend at least five years but no more than ten years from the date the board approves the plan. Plans that contain revision dates inconsistent with this section must comply with that date, provided it is not more than ten years beyond the date of board approval.

(b) The plan must be reviewed for consistency with an adopted county groundwater plan, and revised to the degree necessary to become compliant with the groundwater plan no later than two years after adoption by the county. A one-year extension may be granted by the board. Upon the request of a watershed management organization, the county shall provide a written statement that:

(1) identifies any substantial inconsistencies between the watershed plan and the groundwater plan and any substantial adverse effects of the watershed plan on the groundwater plan; and

(2) evaluates, estimates the cost of, and recommends alternatives for amending the watershed plan to rectify any substantial inconsistencies and adverse effects.

(c) The plan shall contain the elements required by subdivision 6. Each element shall be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 103B.205 to 103B.255, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated water management problems in the watershed.

(d) Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 103B.205 to 103B.255.

(e) Watershed management organizations shall coordinate their planning activities with contiguous watershed management organizations and counties conducting water planning and implementation under sections 103B.101 and 103B.301 to 103B.355.

Subd. 5. [Repealed, 1995 c 184 s 32]

Subd. 6. **Contents.** (a) The plan shall:

(1) describe the existing physical environment, land use, and development in the area and the environment, land use, and development proposed in existing local and metropolitan comprehensive plans;

(2) present information on the hydrologic system and its components, including drainage systems previously constructed under chapter 103E, and existing and potential problems related thereto;

(3) state objectives and policies, including management principles, alternatives and modifications, water quality, and protection of natural characteristics;

(4) set forth a management plan, including the hydrologic and water quality conditions that will be sought and significant opportunities for improvement;

(5) describe the effect of the plan on existing drainage systems;

(6) identify high priority areas for wetland preservation, enhancement, restoration, and establishment and describe any conflicts with wetlands and land use in these areas;

(7) describe conflicts between the watershed plan and existing plans of local government units;

(8) set forth an implementation program consistent with the management plan, which includes a capital improvement program and standards and schedules for amending the comprehensive plans and official controls of local government units in the watershed to bring about conformance with the watershed plan; and

(9) set out procedures and timelines for amending the plan.

(b) The board shall adopt rules to establish standards and requirements for amendments to watershed plans. The rules must include:

(1) performance standards for the watershed plans, which may distinguish between plans for urban areas and rural areas;

(2) minimum requirements for the content of watershed plans and plan amendments, including public participation process requirements for amendment and implementation of watershed plans;

(3) standards for the content of capital improvement programs to implement watershed plans, including a requirement that capital improvement programs identify structural and nonstructural alternatives that would lessen capital expenditures; and

(4) how watershed plans are to specify the nature of the official controls required to be adopted by the local units of government, including uniform erosion control, storm water retention, and wetland protection ordinances in the metropolitan area.

Subd. 7. **Review of draft plan.** (a) Upon completion of the plan but before final adoption by the organization, the organization must submit the draft plan for a 60-day review and comment period to all counties, the Metropolitan Council, the state review agencies, the Board of Water and Soil Resources, soil and water conservation districts, towns, and statutory and home rule charter cities having territory within the watershed. A local government unit that expects that substantial amendment of its local comprehensive plan will be necessary to bring local water management into conformance with the watershed plan must describe as specifically as possible, within its comments, the amendments to the local plan that it expects will be necessary. If the county has a groundwater plan, the county must review and comment on the consistency of the watershed plan with the county groundwater plan. Differences among local governmental agencies regarding the plan must be mediated. Notwithstanding sections 103D.401, 103D.405, and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided for the council's review of the comprehensive plans of local government units under section 473.175. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to local comprehensive plans. The council shall advise the Board of Water and Soil Resources on whether the plan conforms with the management objectives and target pollution loads stated in the council's water resources plan and shall recommend changes in the plan that would satisfy the council's plan.

(b) The watershed management organization must respond in writing to any concerns expressed by the review agencies at least ten days before the public hearing.

(c) The watershed management organization must hold a public hearing on the draft plan no sooner than 14 days after the 60-day review period of the draft plan. The board or boards of the affected counties shall approve or disapprove projects in the capital improvement program which may require the provision of county funds pursuant to section 103B.251 or 103D.901, subdivision 2. Each county has up until the date of the public hearing on the draft plan to complete its review of the capital improvement program. If the county fails to complete its review within the prescribed period, unless an extension is agreed to by the organization the program shall be deemed approved. If the watershed extends into more than one county and one or more counties disapprove of all or part of a capital improvement program while the other county or counties approve, the program shall be submitted to the Board of Water and Soil Resources for review pursuant to subdivision 9.

Subd. 8. [Repealed, 2010 c 218 s 4]

Subd. 9. **Approval by board.** After completion of the review under subdivision 7, the draft plan, any amendments thereto, all written comments received on the draft plan, a record of the public hearing, and a summary of changes incorporated as a result of the review process shall be submitted to the Metropolitan Council, the state review agencies, and the Board of Water and Soil Resources for final review. The board shall review the plan for conformance with the requirements of sections 103B.205 to 103B.255, and chapter 103D. The board shall not prescribe a plan, but may disapprove all or parts of a plan which it determines is not in conformance with the requirements of sections 103B.205 to 103B.255, and chapter 103D. If the capital improvement program is the subject of a dispute between counties, the Board of Water and Soil Resources shall

make a final decision on the issue. The decision shall be binding on the organization and the counties involved. The board shall complete its review under this section within 90 days.

Subd. 10. **Adoption and implementation.** (a) The organization shall adopt and implement its plan within 120 days after compliance with the provisions of subdivision 9 and approval of the plan by the Board of Water and Soil Resources. A watershed district may implement its approved plan and approved capital improvement program by resolution of the majority of the board of managers and without respect to the provisions of chapter 103D requiring the managers to wait upon petitions for projects, to submit projects for review by the Board of Water and Soil Resources, and to limit the cost and purposes of projects.

(b) The Board of Water and Soil Resources shall adopt rules establishing standards and criteria for making determinations of whether watershed management organizations and counties are implementing watershed plans as required under subdivision 1.

Subd. 11. **Amendments.** To the extent and in the manner required by the adopted plan, all amendments to the adopted plan shall be submitted to the towns, cities, county, the Metropolitan Council, the state review agencies, and the Board of Water and Soil Resources for review in accordance with the provisions of subdivisions 7 and 9. Amendments necessary to revise the plan to be consistent with the county groundwater plan, as required by subdivision 4, must be submitted for review in accordance with subdivisions 7 and 9. Minor amendments to a plan shall be reviewed in accordance with standards prescribed in the watershed management plan.

Subd. 12. [Repealed, 1995 c 184 s 32]

Subd. 13. **Appeals of plan failures.** Persons aggrieved by an alleged failure to comply with the provisions of an approved plan may request review by the Board of Water and Soil Resources. The board shall establish a procedure for resolving disputes and making a determination on whether the plan is being implemented.

Subd. 14. **Annual report.** The Board of Water and Soil Resources shall adopt rules establishing:

(1) requirements for annual watershed management organization financial reports to the board, including a report on administrative, project, and other expenditures;

(2) standards for annual financial audits by certified public accountants, procedures for the board to follow before ordering state financial and performance audits as determined by the board, and procedures for charging the costs of financial and performance audits to the watershed management organization; and

(3) requirements for the content of annual activity reports to the board, which must include the number and type of permits issued, complaints received, plan and ordinance violations, projects constructed, new officers installed, variances granted, status of local unit adoption and enforcement of model ordinance requirements, and financial conditions of the watershed management organization.

History: 1990 c 391 art 2 s 11; 1990 c 601 s 10-19; 1991 c 354 art 2 s 2; 1995 c 184 s 3-10; 1996 c 305 art 1 s 27; 1998 c 312 s 1; 2003 c 128 art 1 s 78; 2010 c 218 s 1-3

103B.235 LOCAL WATER MANAGEMENT PLANS.

Subdivision 1. **Requirement.** (a) After the watershed plan is approved and adopted, or amended, pursuant to section 103B.231, the local government units having land use planning and regulatory responsibility for territory within the watershed shall prepare or cause to be prepared a

local water management plan, capital improvement program, and official controls as necessary to bring local water management into conformance with the watershed plan within the time period prescribed in the implementation program of the watershed plan and, as necessary, shall prepare or cause to be prepared amendments to the local comprehensive plan.

(b) Each town within the counties of Anoka, Carver, Dakota, Scott, and Washington authorized by general or special law to plan and regulate the use of land under sections 462.351 to 462.364 shall by resolution determine whether to prepare the local water management plan itself or to delegate all or part of the preparation of the plan to the county.

(c) Towns within counties that have adopted comprehensive plans applicable to the town must use county preparation of their plan to the maximum extent possible.

Subd. 2. **Contents.** (a) Each local plan, in the degree of detail required in the watershed plan, shall:

- (1) describe existing and proposed physical environment and land use;
- (2) define drainage areas and the volumes, rates, and paths of storm water runoff;
- (3) identify areas and elevations for storm water storage adequate to meet performance standards established in the watershed plan;
- (4) define water quality and water quality protection methods adequate to meet performance standards established in the watershed plan;
- (5) identify regulated areas; and
- (6) set forth an implementation program, including a description of official controls and, as appropriate, a capital improvement program.

(b) The Board of Water and Soil Resources shall adopt rules establishing minimum local plan standards and a model environmental management ordinance for use by local government units in implementing local water plans. The standards apply to plan amendments made to conform to changes in the watershed plans that are adopted under the board rules required by section 103B.231, subdivision 6.

Subd. 3. **Review.** After consideration but before adoption by the governing body, each local unit shall submit its water management plan to the watershed management organization for review for consistency with the watershed plan adopted pursuant to section 103B.231. If the county or counties having territory within the local unit have a state-approved and locally adopted groundwater plan, the local unit shall submit its plan to the county or counties for review. The county or counties have 45 days to review and comment on the plan. The organization shall approve or disapprove the local plan or parts of the plan. The organization shall have 60 days to complete its review; provided, however, that the watershed management organization shall, as part of its review, take into account the comments submitted to it by the Metropolitan Council pursuant to subdivision 3a. If the organization fails to complete its review within the prescribed period, the local plan shall be deemed approved unless an extension is agreed to by the local unit.

Subd. 3a. **Review by Metropolitan Council.** Concurrently with its submission of its local water management plan to the watershed management organization as provided in subdivision 3, each local unit of government shall submit its water management plan to the Metropolitan Council for review and comment by the council. The council shall have 45 days to review and comment upon the local plan or parts of the plan with respect to consistency with the council's comprehensive development guide for the metropolitan area. The council's 45-day review period

shall run concurrently with the 60-day review period by the watershed management organization provided in subdivision 3. The Metropolitan Council shall submit its comments to the watershed management organization and shall send a copy of its comments to the local government unit. If the Metropolitan Council fails to complete its review and make comments to the watershed management organization within the 45-day period, the watershed management organization shall complete its review as provided in subdivision 3.

Subd. 4. **Adoption and implementation.** After approval of the local plan by the organization, the local government unit shall adopt and implement its plan within 120 days and shall amend its official controls accordingly within 180 days.

Subd. 5. **Amendments.** To the extent and in the manner required by the organization, all amendments to local water management plans shall be submitted to the organization for review and approval in accordance with the provisions of subdivisions 3 and 3a for the review of plans.

History: 1990 c 391 art 2 s 12; 1990 c 601 s 21; 1995 c 176 s 1-3; 1995 c 184 s 11

103B.239 RULE REVIEW.

The Board of Water and Soil Resources shall review the rules relating to sections 103B.205 to 103B.255 at least once every five years and adopt necessary amendments.

History: 1990 c 601 s 20

103B.241 LEVIES.

Subdivision 1. **Watershed plans and projects.** Notwithstanding chapter 103D, a local government unit or watershed management organization may levy a tax to pay the increased costs of preparing a plan under sections 103B.231 and 103B.235 or for projects identified in an approved and adopted plan necessary to implement the purposes of section 103B.201. The proceeds of any tax levied under this section shall be deposited in a separate fund and expended only for the purposes authorized by this section. Watershed management organizations and local government units may accumulate the proceeds of levies as an alternative to issuing bonds to finance improvements.

Subd. 2. **Priority programs; soil and water conservation districts.** A county may levy amounts necessary to pay the reasonable increased costs to soil and water conservation districts of administering and implementing priority programs identified in an approved and adopted plan.

History: 1990 c 391 art 2 s 13; 1990 c 601 s 22; 1992 c 511 art 2 s 2; art 5 s 2; 1995 c 184 s 12

103B.245 SPECIAL TAX DISTRICT; LOCAL GOVERNMENT UNIT.

Subdivision 1. **Watershed management tax district.** (a) Any local government unit planning for water management under sections 103B.231 and 103B.235 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying the costs of the planning required under sections 103B.231 and 103B.235.

(b) Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 103B.231 and which has a local water management plan adopted in accordance with section 103B.235 may establish a watershed management tax district in the territory within the watershed or a subwatershed unit in the watershed, for the purpose of paying capital costs of the water management facilities described

in the capital improvement program of the plans and for the purpose of paying for normal and routine maintenance of the facilities.

(c) A county or counties required by section 103B.231, subdivision 3, to prepare, adopt, and implement a watershed plan shall apportion the costs of planning, capital improvements, and maintenance proportionate to benefits. The county may apportion the costs among the subwatershed units in the watershed, or among the statutory and home rule charter cities and towns having territory in the watershed, and for this purpose may establish more than one watershed management tax district in the watershed.

(d) Notification of new watershed management tax districts established under this subdivision must be made to the county auditor by July 1 in order to be effective for taxes payable in the following year.

Subd. 2. Procedure. The district shall be established by ordinance adopted after a hearing. Notice of the time, place, and purpose of the hearing shall be published for two successive weeks in the official newspaper of the local government unit, ending at least seven days before the day of the hearing. The ordinance shall describe with particularity the territory or area to be included in the district. After adoption, the ordinance shall be filed with the county auditor and county recorder. The district may be dissolved by following the procedures prescribed for the establishment of the district.

Subd. 3. Tax. After adoption of the ordinance under subdivision 2, a local government unit may annually levy a tax on all taxable property in the district for the purposes for which the tax district is established. The tax may not exceed 0.02418 percent of estimated market value on taxable property located in rural towns other than urban towns, unless allowed by resolution of the town electors. The proceeds of the tax shall be paid into a fund reserved for these purposes. Any proceeds remaining in the reserve fund at the time the tax is terminated or the district is dissolved shall be transferred and irrevocably pledged to the debt service fund of the local unit to be used solely to reduce tax levies for bonded indebtedness of taxable property in the district.

Subd. 4. Bonds. After adoption of the ordinance under subdivision 2, and after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered done by day labor, the local government unit may issue obligations in the amount it deems necessary to pay in whole or in part the capital cost incurred and estimated to be incurred in making the project. The obligations shall be payable out of the proceeds of the tax levied pursuant to subdivision 3. The local unit may by resolution of its governing body adopted prior to the sale of obligations pledge the full faith, credit and taxing power of the local unit to assure payment of the principal and interest in the event the proceeds of the tax levy in the district are insufficient to pay principal and interest. The amount of any taxes which are required to be levied outside of the territory of the tax district or taken from the general funds of the local unit to pay principal and interest on the obligations shall be reimbursed to the local unit from taxes levied within the territory of the tax district. Obligations shall be issued in accordance with chapter 475, except that an election is not required and the amount of any obligations shall not be included in determining the net indebtedness of the local unit under the provisions of any law or charter limiting indebtedness.

History: 1990 c 391 art 2 s 14; 1990 c 601 s 23; 1994 c 416 art 1 s 1; 1995 c 184 s 13,14; 2013 c 143 art 14 s 7

103B.251 CAPITAL IMPROVEMENTS BY WATERSHED MANAGEMENT ORGANIZATIONS.

Subdivision 1. **General authority.** The authority provided to watershed districts in this section is in addition to the authority provided in chapter 103D. A watershed management organization which has adopted a watershed plan in accordance with section 103B.231 may certify for payment by the county as provided in this section all or any part of the cost of a capital improvement contained in the capital improvement program of the plan.

Subd. 2. **County board to receive plan for improvement.** A copy of the plan for the improvement shall be forwarded to the county board.

Subd. 3. **Improvement hearing notice.** (a) The organization shall then hold a public hearing on the proposed improvement, following publication once each week for two successive weeks before the date of the hearing in a legal newspaper published in the county or counties in which a part or all of the affected waters and lands are located. The last publication shall occur not more than 30 days nor less than ten days before the hearing.

(b) The notice shall state the time and place of hearing, the general nature of the proposed improvement, the estimated cost, and the method by which the cost of the improvement is to be paid, including the cost to be allocated to each county or minor watershed unit under subdivision 5.

(c) At least ten days before the hearing, notice by mail shall be given to the counties and to each home rule charter or statutory city or town located wholly or partly within the territory of the watershed management organization.

(d) Failure to give mailed notice or defects in the notice shall not invalidate the proceedings.

Subd. 4. **Improvement hearing.** At the time and place specified in the notice the organization shall hear all parties interested in the proposed improvement. If upon full hearing the organization finds that the improvement will be conducive to public health and promote the general welfare, and is in compliance with sections 103B.205 to 103B.255 and the plan adopted pursuant to section 103B.231, it shall make findings accordingly, determine the cost of the improvement, and certify the cost before October 1 to the county or counties for payment.

Subd. 5. **Apportionment of costs.** If the territory of the watershed management organization extends into more than one county, the cost of the improvement shall be certified to the respective county boards in the proportions prescribed in the capital improvement program of the organization. The certification of the watershed management organization may apportion the cost among some or all of the subwatershed units in the watershed and for this purpose may require the establishment of more than one tax district in the watershed.

Subd. 6. **County payment.** Each county receiving certifications for payment from watershed management organizations under this section shall promptly after September 30 of each year provide funds to meet its proportionate share of the cost of the improvements as shown in the certifications by organizations received during the prior 12 months. In an emergency and after receipt of certification the county shall provide funds at other times. When an organization anticipates an emergency it shall promptly inform the county and provide it with appropriate information.

Subd. 7. **Bonds.** In order to make the payment required by subdivision 6, the county board of each county may issue general obligation bonds of the county in the amount necessary to pay all or part of the cost of projects certified to the county board or to refund general obligation bonds issued for this purpose. The bonds shall be sold, issued, and secured in accordance with

the provisions of chapter 475 for general obligation bonds, except as otherwise provided in this subdivision. No election shall be required.

Subd. 8. **Tax.** (a) For the payment of principal and interest on the bonds issued under subdivision 7 and the payment required under subdivision 6, the county shall irrevocably pledge and appropriate the proceeds of a tax levied on all taxable property located within the territory of the watershed management organization or subwatershed unit for which the bonds are issued. Each year until the reserve for payment of the bonds is sufficient to retire the bonds, the county shall levy on all taxable property in the territory of the organization or unit, without respect to any statutory or other limitation on taxes, an amount of taxes sufficient to pay principal and interest on the bonds and to restore any deficiencies in reserves required to be maintained for payment of the bonds.

(b) The tax levied on rural towns other than urban towns may not exceed 0.02418 percent of estimated market value, unless approved by resolution of the town electors.

(c) If at any time the amounts available from the levy on property in the territory of the organization are insufficient to pay principal and interest on the bonds when due, the county shall make payment from any available funds in the county treasury.

(d) The amount of any taxes which are required to be levied outside of the territory of the watershed management organization or unit or taken from the general funds of the county to pay principal or interest on the bonds shall be reimbursed to the county from taxes levied within the territory of the watershed management organization or unit.

Subd. 9. **Maintenance levy.** For the purpose of creating a maintenance fund to be used for normal and routine maintenance of a work of improvement constructed in whole or part with money provided by the county pursuant to subdivision 6, the board of managers of a watershed district, with the approval of the county, may impose an ad valorem levy on all property located within the territory of the watershed district or subwatershed unit. The levy shall be certified, levied, collected, and distributed as provided in sections 103D.915 and 103D.921, and shall be in addition to any other money levied and distributed to the district. The proceeds of the levy shall be deposited in a separate maintenance and repair account to be used only for the purpose for which the levy was made.

History: 1990 c 391 art 2 s 15; 1990 c 601 s 24-26; 1995 c 184 s 15,16; 2013 c 143 art 14 s 8

103B.252 EMERGENCY PROJECTS.

Subdivision 1. **General authority.** Notwithstanding chapter 103D, a local government unit or a watershed management organization which has an approved and adopted plan may undertake and perform emergency projects under this section.

Subd. 2. **Declaration of emergency.** If the joint powers board, watershed district managers, or local government unit find that conditions exist that present a clear and imminent danger to the health or welfare of the people of the watershed management organization or local government unit, and that to delay action would prejudice the interests of the people of the watershed management organization or local government unit, or would likely cause permanent harm, the joint powers board, watershed district managers, or local government unit may declare the existence of an emergency and designate the location, watershed or subwatershed unit, nature, and extent of the emergency.

Subd. 3. **Project order.** If an emergency has been declared to the extent necessary to protect the interests of the watershed management organization or the local government unit, the joint powers board, watershed district managers, or local government unit may order that the work be done under the direction of the joint powers board, watershed district managers, or local government unit and their engineer, without a contract.

History: 1995 c 184 s 17

103B.253 COUNTY LEVY AUTHORITY.

Notwithstanding any other law to the contrary, a county levying a tax under section 103B.241, 103B.245, or 103B.251 shall not include any taxes levied under those authorities in the levy certified under section 275.07, subdivision 1, paragraph (a). A county levying under section 103B.241, 103B.245, or 103B.251 shall separately certify that amount and the auditor shall extend that levy as a special taxing district levy under sections 275.066 and 275.07, subdivision 1, paragraph (b).

History: 1Sp2001 c 5 art 3 s 3

METROPOLITAN GROUNDWATER MANAGEMENT

103B.255 GROUNDWATER PLANS.

Subdivision 1. **Authority.** A metropolitan county may prepare and adopt groundwater plans in accordance with this section.

Subd. 2. **Responsible units.** The county may prepare and adopt the plan or, upon request of a soil and water conservation district, the county may delegate to the soil and water conservation district the preparation and adoption of all or part of a plan and the performance of other county responsibilities regarding the plan under this section and section 103B.231.

Subd. 3. **Local coordination.** To assure the coordination of efforts of all units of government during the preparation and implementation of watershed and groundwater plans, the county shall conduct meetings with local units of government and watershed management organizations and may enter into agreements with local units of government and watershed management organizations establishing the responsibilities during the preparation and implementation of the water plans.

Subd. 4. **Assistance.** The county may contract with the Minnesota Geological Survey, the United States Geological Survey, a soil and water conservation district, or other public or private agencies or persons for services in performing the county's responsibilities regarding the plan under this section and section 103B.231. Counties may enter into agreements with other counties or local units of government under section 471.59 for the performance of these responsibilities. To assist in the development of the groundwater plan, the county shall seek the advice of the advisory committee, the Minnesota Geological Survey, the Departments of Health and Natural Resources, the Pollution Control Agency, and other appropriate local, state, and federal agencies.

Subd. 5. **Advisory committees.** (a) The county shall name an advisory committee of 15 members. The committee must include representatives of various interests, including construction, agriculture, hydrogeology, and well drilling. At least four members of the committee must be from the public at large with no direct pecuniary interest in any project involving groundwater protection. At least seven members must be appointed from watershed management organizations, statutory and home rule charter cities, and towns, and these local government

representatives must be geographically distributed so that at least one is appointed from each county commissioner district.

(b) The county shall consult the advisory committee on the development, content, and implementation of the plan, including the relationship of the groundwater plan and existing watershed and local water management plans, the effect of the groundwater plan on the other plans, and the allocation of costs and governmental authority and responsibilities during implementation.

Subd. 6. **General standards.** (a) The groundwater plan must specify the period covered by the plan and must extend at least five years but no more than ten years from the date the board approves the plan. The plan must contain the elements required by subdivision 7. Each element must be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 103B.205 to 103B.255, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated groundwater management problems in the county.

(b) To the fullest extent possible in a manner consistent with groundwater protection, a county shall make maximum use of existing and available data and studies in preparing the groundwater plan and incorporate into its groundwater plan relevant data from existing plans and studies and the relevant provisions of existing plans adopted by watershed management organizations having jurisdiction wholly or partly within the county.

Subd. 7. **Contents.** A groundwater plan must:

- (1) cover the entire area within the county;
- (2) describe existing and expected changes to the physical environment, land use, and development in the county;
- (3) summarize available information about the groundwater and related resources in the county, including existing and potential distribution, availability, quality, and use;
- (4) state the goals, objectives, scope, and priorities of groundwater protection in the county;
- (5) contain standards, criteria, and guidelines for the protection of groundwater from pollution and for various types of land uses in environmentally sensitive areas, critical areas, or previously contaminated areas;
- (6) describe relationships and possible conflicts between the groundwater plan and the plans of other counties, local government units, and watershed management organizations in the affected groundwater system;
- (7) set forth standards, guidelines, and official controls for implementation of the plan by watershed management organizations and local units of government; and
- (8) include procedures and timelines for amending the groundwater plan.

Subd. 8. **Review of the draft plan.** (a) Upon completion of the groundwater plan but before final adoption by the county, the county shall submit the draft plan for a 60-day review and comment period to adjoining counties, the Metropolitan Council, the state review agencies, the Board of Water and Soil Resources, each soil and water conservation district, town, statutory and home rule charter city, and watershed management organization having territory within the county. The county also shall submit the plan to any other county or watershed management organization or district in the affected groundwater system that could affect or be affected by implementation of the plan. Any political subdivision or watershed management organization that

expects that substantial amendment of its plans would be necessary in order to bring them into conformance with the county groundwater plan shall describe as specifically as possible, within its comments, the amendments that it expects would be necessary and the cost of amendment and implementation. Reviewing entities have 60 days to review and comment. Differences among local governmental agencies regarding the plan must be mediated. Notwithstanding sections 103D.401, 103D.405, and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided in section 473.175 for review of the comprehensive plans of local government units. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to watershed plans and local comprehensive plans. The council shall advise the Board of Water and Soil Resources on whether the plan conforms with the management objectives stated in the council's water resources plan and shall recommend changes in the plan that would satisfy the council's plan.

(b) The county must respond in writing to any concerns expressed by the reviewing agencies within 30 days of receipt thereof.

(c) The county shall hold a public hearing on the draft plan no sooner than 30 days and no later than 45 days after the 60-day review period of the draft plan.

Subd. 9. Review by Metropolitan Council and state agencies. After completion of the review under subdivision 8, the draft plan, any amendments thereto, all written comments received on the plan, a record of the public hearing, and a summary of changes incorporated as part of the review process must be submitted to the Metropolitan Council, the state review agencies, and the Board of Water and Soil Resources for final review. The state review agencies shall review and comment on the consistency of the plan with state laws and rules relating to water and related land resources. The state review agencies shall forward their comments to the board within 45 days after they receive the final review draft of the plan. A state review agency may request and receive up to a 30-day extension of this review period from the board.

Subd. 10. Approval by board. After completion of the review under subdivision 9, the Board of Water and Soil Resources shall review the plan as provided in section 103D.401. The board shall review the plan for conformance with the requirements of sections 103B.205 to 103B.255, and chapter 103D. The board may not prescribe a plan but may disapprove all or parts of a plan which it determines is not in conformance with the requirements of sections 103B.205 to 103B.255, and chapter 103D.

Subd. 11. Adoption and implementation. The county shall adopt and implement its groundwater plan within 120 days after approval of the plan by the Board of Water and Soil Resources.

Subd. 12. Amendments. To the extent and in the manner required by the adopted plan, all amendments to the adopted plan must be submitted to the towns, cities, counties, the Metropolitan Council, the state review agencies, and the Board of Water and Soil Resources for review in accordance with the provisions of subdivisions 8 to 10.

Subd. 13. Property tax levies. A metropolitan county may levy amounts necessary to administer and implement an approved and adopted groundwater plan. A county may levy amounts necessary to pay the reasonable increased costs to soil and water conservation districts and watershed management organizations of administering and implementing priority programs identified in the county's groundwater plan.

History: 1990 c 391 art 2 s 16; 1992 c 511 art 2 s 3; 1995 c 184 s 18-23

**COMPREHENSIVE LOCAL WATER
PLANNING AND MANAGEMENT**

103B.301 TITLE.

Sections 103B.301 to 103B.355 may be cited as the "Comprehensive Local Water Management Act."

History: 1990 c 391 art 2 s 17

103B.305 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 103B.301 to 103B.355.

Subd. 2. **Board.** "Board" means the Board of Water and Soil Resources.

Subd. 3. **Comprehensive local water management plan.** "Comprehensive local water management plan," "comprehensive water plan," "local water plan," and "local water management plan" mean the plan adopted by a county under sections 103B.311 and 103B.315.

Subd. 4. **Groundwater systems.** "Groundwater systems" means the 14 principal aquifers of the state as defined by the United States Geological Survey in the Water-Resources Investigations 81-51, entitled "Designation of Principal Water Supply Aquifers in Minnesota" (August 1981), and its revisions.

Subd. 5. **Local units of government.** "Local units of government" means municipalities, towns, counties, soil and water conservation districts, watershed districts, organizations formed for the joint exercise of powers under section 471.59, and other special purpose districts or authorities exercising authority in water and related land resources management at the local level.

Subd. 6. **Municipality.** "Municipality" means a statutory or home rule charter city.

Subd. 7. **Official controls.** "Official controls" means ordinances and regulations that control the physical development of the whole or part of a local government unit or that implement the general objectives of the local government unit.

Subd. 7a. **Plan authority.** "Plan authority" means those local government units coordinating planning under sections 103B.301 to 103B.335.

Subd. 7b. **Priority concerns.** "Priority concerns" means issues, resources, subwatersheds, or demographic areas that are identified as a priority by the plan authority.

Subd. 7c. **Priority concerns scoping document.** "Priority concerns scoping document" means the list of the chosen priority concerns and a detailed account of how those concerns were identified and chosen.

Subd. 8. **Related land resources.** "Related land resources" means land affected by present or projected management practices that have significant effects on the quantity and quality, or use of groundwater or surface water.

Subd. 8a. **State review agencies.** "State review agencies" means the Board of Water and Soil Resources, the Department of Agriculture, the Department of Health, the Department of Natural Resources, the Pollution Control Agency, and other agencies granted state review status by a resolution of the board.

Subd. 9. **Watershed management organization.** "Watershed management organization" has the meaning given in section 103B.205, subdivision 13.

Subd. 10. **Watershed units.** "Watershed units" means each of the 81 major watershed units identified in the state watershed boundaries map prepared pursuant to the requirements of Laws 1977, chapter 455, section 33, subdivision 7, paragraph (a) and the accompanying database, and the revisions of that database.

History: 1990 c 391 art 2 s 18; 2003 c 128 art 1 s 79-83

103B.311 COUNTY WATER PLANNING AND MANAGEMENT.

Subdivision 1. **County duties.** Each county is encouraged to develop and implement a local water management plan. Each county that develops and implements a plan has the duty and authority to:

(1) prepare and adopt a local water management plan that meets the requirements of this section and section 103B.315;

(2) review water and related land resources plans and official controls submitted by local units of government to assure consistency with the local water management plan; and

(3) exercise any and all powers necessary to assure implementation of local water management plans.

Subd. 2. **Delegation.** The county is responsible for preparing, adopting, and assuring implementation of the local water management plan, but may delegate all or part of the preparation of the plan to a local unit of government, a regional development commission, or a resource conservation and development committee. The county may not delegate authority for the exercise of eminent domain, taxation, or assessment to a local unit of government that does not possess those powers.

Subd. 3. **Coordination.** (a) To assure the coordination of efforts of all local units of government within a county during the preparation and implementation of a local water management plan, each county intending to adopt a plan shall conduct meetings with other local units of government and may execute agreements with other local units of government establishing the responsibilities of each unit during the preparation and implementation of the local water management plan.

(b) Each county intending to adopt a plan shall coordinate its planning program with contiguous counties. Before meeting with local units of government, a county board shall notify the county boards of each county contiguous to it that the county is about to begin preparing its local water management plan and is encouraged to request and hold a joint meeting with the contiguous county boards to consider the planning process.

Subd. 4. **Water plan requirements.** (a) A local water management plan must:

(1) cover the entire area within a county;

(2) address water problems in the context of watershed units and groundwater systems;

(3) be based upon principles of sound hydrologic management of water, effective environmental protection, and efficient management;

(4) be consistent with local water management plans prepared by counties and watershed management organizations wholly or partially within a single watershed unit or groundwater system; and

(5) the local water management plan must specify the period covered by the local water management plan and must extend at least five years but no more than ten years from the date the

board approves the local water management plan. Local water management plans that contain revision dates inconsistent with this section must comply with that date, provided it is not more than ten years beyond the date of board approval.

(b) Existing water and related land resources plans, including plans related to agricultural land preservation programs developed pursuant to chapter 40A, must be fully utilized in preparing the local water management plan. Duplication of the existing plans is not required.

Subd. 5. [Repealed, 2003 c 128 art 1 s 176]

Subd. 6. [Repealed, 2003 c 128 art 1 s 176]

Subd. 7. [Repealed, 2003 c 128 art 1 s 176]

History: 1990 c 391 art 2 s 19; 1991 c 345 art 2 s 13; 1991 c 354 art 2 s 3; 1992 c 514 s 14; 1995 c 184 s 24,25; 2003 c 128 art 1 s 84-87; 2012 c 272 s 34

103B.312 IDENTIFYING PRIORITY CONCERNS.

Each priority concerns scoping document must contain:

- (1) the list of proposed priority concerns the plan will address; and
- (2) a description of how and why the priority concerns were chosen, including:
 - (i) a list of all public and internal forums held to gather input regarding priority concerns, including the dates they were held, a list of participants and affiliated organizations, a summary of the proceedings, and supporting data;
 - (ii) the process used to locally coordinate and resolve differences between the plan's priority concerns and other state, local, and regional concerns; and
 - (iii) a list of issues identified by the stakeholders but not selected as priority concerns, why they were not included in the list of priority concerns, and a brief description of how the concerns may be addressed or delegated to other partnering entities.

History: 2003 c 128 art 1 s 88

103B.313 PLAN DEVELOPMENT.

Subdivision 1. **Notice of plan revision.** The local water management plan authority shall send a notice to local government units partially or wholly within the planning jurisdiction, adjacent counties, and state review agencies of their intent to revise the local water management plan. The notice of a plan revision must include an invitation for all recipients to submit priority concerns they wish to see the plan address.

Subd. 2. **Submitting priority concerns to planning authority.** Local governments and state review agencies must submit the priority concerns they want the plan to address to the plan authority within 45 days of receiving the notice defined in subdivision 1 or within an otherwise agreed-upon time frame.

Subd. 3. **Public information meeting.** Before submitting the priority concerns scoping document to the board, the plan authority shall publish a legal notice for and conduct a public information meeting.

Subd. 4. **Submittal of priority concerns scoping document to board.** The plan authority shall send the scoping document to all state review agencies for review and comment. State review agencies shall provide comments on the plan outline to the board within 30 days of receipt.

Subd. 5. **Board review of priority concerns scoping document.** The board shall review the scoping document and the comments submitted in accordance with this subdivision. The board shall provide comments to the local plan authority within 60 days of receiving the scoping document, or after the next regularly scheduled board meeting, whichever is later. No local water management plan may be approved pursuant to section 103B.315 without addressing items communicated in the board comments to the plan authority. The plan authority may request that resolution of unresolved issues be addressed pursuant to board policy defined in section 103B.345.

Subd. 6. **Requests for existing agency information relevant to priority concerns scoping document.** The state review agencies shall, upon request from the local government, provide existing plans, reports, and data analysis related to priority concerns to the plan author within 60 days from the date of the request or within an otherwise agreed-upon time frame.

History: 2003 c 128 art 1 s 89

103B.314 CONTENTS OF PLAN.

Subdivision 1. **Executive summary.** Each plan must have an executive summary, including:

- (1) the purpose of the local water management plan;
- (2) a description of the priority concerns to be addressed by the plan;
- (3) a summary of goals and actions to be taken along with the projected total cost of the implementation program;
- (4) a summary of the consistency of the plan with other pertinent local, state, and regional plans and controls, and where inconsistencies are noted; and
- (5) a summary of recommended amendments to other plans and official controls to achieve consistency.

Subd. 2. **Assessment of priority concerns.** For each priority concern defined pursuant to section 103B.312, clause (1), the plan shall analyze relevant data, plans, and policies provided by agencies consistent with section 103B.313, subdivision 6, and describe the magnitude of the concern, including how the concern is impacting or changing the local land and water resources.

Subd. 3. **Goals and objectives addressing priority concerns.** Each plan must contain specific measurable goals and objectives relating to the priority concerns and other state, regional, or local concerns. The goals and objectives must coordinate and attempt to resolve conflict with city, county, regional, or state goals and policies.

Subd. 4. **Implementation program for priority concerns.** (a) For the measurable goals identified in subdivision 3, each plan must include an implementation program that includes the items described in paragraphs (b) to (e).

(b) An implementation program may include actions involving, but not limited to, data collection programs, educational programs, capital improvement projects, project feasibility studies, enforcement strategies, amendments to existing official controls, and adoption of new official controls. If the local government finds that no actions are necessary to address the goals and objectives identified in subdivision 3 it must explain why actions are not needed. Staff and financial resources available or needed to carry out the local water management plan must be stated.

(c) The implementation schedule must state the time in which each of the actions contained in the implementation program will be taken.

(d) If a local government unit has made any agreement for the implementation of the plan or portions of a plan by another local unit of government, that local unit must be specified, the responsibility indicated, and a description included indicating how and when the implementation will happen.

(e) If capital improvement projects are proposed to implement the local water management plan, the projects must be described in the plan. The description of a proposed capital improvement project must include the following information:

(1) the physical components of the project, including their approximate size, configuration, and location;

(2) the purposes of the project and relationship to the objectives in the plan;

(3) the proposed schedule for project construction;

(4) the expected federal, state, and local costs;

(5) the types of financing proposed, such as special assessments, ad valorem taxes, and grants; and

(6) the sources of local financing proposed.

Subd. 5. Other water management responsibilities and activities coordinated by plan.

The plan must also describe the actions that will be taken to carry out the responsibilities or activities, identify the lead and supporting organizations or government units that will be involved in carrying out the action, and estimate the cost of each action.

Subd. 6. Amendments. The plan authority may initiate an amendment to the local water management plan by submitting a petition to the board and sending copies of the proposed amendment and the date of the public hearing to the following entities for review: local government units defined in section 103B.305, subdivision 5, that are within the plan's jurisdiction; and the state review agencies.

After the public hearing the board shall review the amendment pursuant to section 103B.315, subdivision 5, paragraphs (b) and (c). The amendment becomes part of the local water management plan after being approved by the board. The board must send the order and the approved amendment to the entities that received the proposed amendment and notice of the public hearing.

History: 2003 c 128 art 1 s 90

103B.315 COMPREHENSIVE WATER PLAN REVIEW AND ADOPTION.

Subdivision 1. [Repealed, 2003 c 128 art 1 s 176]

Subd. 2. [Repealed, 2003 c 128 art 1 s 176]

Subd. 3. [Repealed, 2003 c 128 art 1 s 176]

Subd. 4. **Public hearing.** The county board shall conduct a public hearing on the local water management plan pursuant to section 375.51.

Subd. 5. **State review.** (a) After conducting the public hearing but before final adoption, the county board must submit its local water management plan, all written comments received on the plan, a record of the public hearing under subdivision 4, and a summary of changes incorporated as a result of the review process to the board for review. The board shall complete the review within 90 days after receiving a local water management plan and supporting documents. The board shall

consult with the Departments of Agriculture, Health, and Natural Resources; the Pollution Control Agency; the Environmental Quality Board; and other appropriate state agencies during the review.

(b) The board may disapprove a local water management plan if the board determines the plan is not consistent with state law. If a plan is disapproved, the board shall provide a written statement of its reasons for disapproval. A disapproved local water management plan must be revised by the county board and resubmitted for approval by the board within 120 days after receiving notice of disapproval of the local water management plan, unless the board extends the period for good cause.

(c) If the local government unit disagrees with the board's decision to disapprove the plan, it may, within 60 days, initiate mediation through the board's informal dispute resolution process as established pursuant to section 103B.345, subdivision 1. A local government unit may appeal disapproval to the Court of Appeals. A decision of the board on appeal is subject to judicial review under sections 14.63 to 14.69.

Subd. 6. **Adoption and implementation.** A county board shall adopt and begin implementation of its local water management plan within 120 days after receiving notice of approval of the plan from the board.

Subd. 7. [Repealed, 2003 c 128 art 1 s 176]

History: 1990 c 391 art 2 s 20; 1991 c 345 art 2 s 14; 2003 c 128 art 1 s 91-93

103B.321 DUTIES OF THE BOARD.

Subdivision 1. **General.** The board shall:

(1) develop guidelines for the contents of local water management plans that provide for a flexible approach to meeting the different water and related land resources needs of counties and watersheds across the state;

(2) coordinate assistance of state agencies to counties and other local units of government involved in preparation of local water management plans, including identification of pertinent data and studies available from the state and federal government;

(3) conduct an active program of information and education concerning the requirements and purposes of sections 103B.301 to 103B.355 in conjunction with the Association of Minnesota Counties;

(4) determine contested cases under section 103B.345;

(5) establish a process for review of local water management plans that assures the plans are consistent with state law; and

(6) make grants to counties for local water management planning, implementation of priority actions identified in approved plans, and sealing of abandoned wells.

Subd. 2. **Rulemaking.** The board may adopt rules to implement sections 103B.301 to 103B.355.

Subd. 3. [Repealed, 2003 c 128 art 1 s 176]

History: 1990 c 391 art 2 s 21; 1991 c 254 art 2 s 36; 1999 c 86 art 3 s 8; 2003 c 2 art 1 s 13; 2003 c 128 art 1 s 94,95

103B.325 CONSISTENCY OF LOCAL PLANS AND CONTROLS WITH THE LOCAL WATER MANAGEMENT PLAN.

Subdivision 1. **Requirement.** Local units of government shall amend existing water and related land resources plans and official controls as necessary to conform them to the applicable, approved local water management plan following the procedures in this section.

Subd. 2. **Procedure.** Within 90 days after local units of government are notified by the county board of the adoption of a local water management plan or of adoption of an amendment to a comprehensive water plan, the local units of government exercising water and related land resources planning and regulatory responsibility for areas within the county must submit existing water and related land resources plans and official controls to the county board for review. The county board shall identify any inconsistency between the plans and controls and the local water management plan and shall recommend the amendments necessary to bring local plans and official controls into conformance with the local water management plan.

Subd. 3. **Revision and implementation.** Local units of government shall revise existing plans and official controls to conform them to the recommendations of the county board and shall initiate implementation of the revised plans and controls within 180 days after receiving the recommendations of the county board, or 180 days after resolution of an appeal, whichever is later.

Subd. 4. **Appeals.** A local unit of government may, within 60 days after receiving the recommendations of the county board, appeal any recommendation to the Board of Water and Soil Resources for a hearing as provided in section 103B.345.

Subd. 5. **New plans and controls.** New or amended water and related land resources plans and official controls proposed by local units of government for their adoption following adoption of the comprehensive water plan shall be submitted to the county board for review and recommendation as provided under this section.

History: 1990 c 391 art 2 s 22; 2003 c 128 art 1 s 96,97

103B.331 AUTHORITY UNDER APPROVED LOCAL WATER MANAGEMENT PLANS.

Subdivision 1. **Authority.** When an approved local water management plan is adopted, the county has the authority specified in this section.

Subd. 2. **Regulation of water and land resources.** The county may regulate the use and development of water and related land resources within incorporated areas when one or more of the following conditions exists:

(1) the municipality does not have a local water and related land resources plan or official controls consistent with the local water management plan;

(2) a municipal action granting a variance or conditional use would result in an action inconsistent with the local water management plan;

(3) the municipality has authorized the county to require permits for the use and development of water and related land resources; or

(4) a state agency has delegated the administration of a state permit program to the county.

Subd. 3. **Acquisition of property; assessment of costs.** A county may:

(1) acquire in the name of the county, by condemnation under chapter 117, real and personal property found by the county board to be necessary for the implementation of an approved local water management plan;

(2) assess the costs of projects necessary to implement the local water management plan undertaken under sections 103B.301 to 103B.355 upon the property benefited within the county in the manner provided for municipalities by chapter 429;

(3) charge users for services provided by the county necessary to implement the local water management plan; and

(4) establish one or more special taxing districts within the county and issue bonds for the purpose of financing capital improvements under sections 103B.301 to 103B.355.

Subd. 4. Special taxing district. (a) A tax district authorized under subdivision 3, clause (4), must be established by resolution adopted by the county board after a hearing. Notice of the time, place, and purpose of the hearing must be published for two successive weeks in the official newspaper of the county, ending at least seven days before the day of the hearing. The resolution must describe with particularity the territory or area to be included in the tax district. After adoption, the resolution must be filed with the county auditor and county recorder. The district may be dissolved by following the procedures prescribed for the establishment of the district.

(b) After adoption of the resolution under paragraph (a), a county may annually levy a tax on all taxable property in the district for the purposes for which the tax district was established. The proceeds of the tax must be paid into a fund reserved for these purposes. Any proceeds remaining in the reserve fund at the time the tax is terminated or the district is dissolved must be transferred and irrevocably pledged to the debt service fund of the county to be used only to reduce tax levies for bonded indebtedness of taxable property in the district.

(c) After adoption of the resolution under paragraph (a), and after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered to be done by hired labor, the county may issue obligations in the amount determined by the county board to be necessary to pay in whole or in part the capital cost incurred and estimated to be incurred in making the improvement. The obligations are payable out of the proceeds of the tax levied under this subdivision. The county board may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit, and taxing power of the county to assure payment of the principal and interest in the event the proceeds of the tax levy in the district are insufficient to pay principal and interest. The amount of any taxes that are required to be levied outside of the territory of the tax district or taken from the general funds of the county to pay principal and interest on the obligations must be reimbursed to the county from taxes levied within the territory of the tax district. Obligations must be issued in accordance with chapter 475, except that an election is not required and the amount of any obligations must not be included in determining the net indebtedness of the county under the provisions of any law or charter limiting indebtedness.

History: 1990 c 391 art 2 s 23; 2003 c 128 art 1 s 98-100

103B.335 TAX LEVY AUTHORITY.

Subdivision 1. **Local water planning and management.** The governing body of any county, municipality, or township may levy a tax in an amount required to implement sections 103B.301 to 103B.355 or a comprehensive watershed management plan as defined in section 103B.3363.

Subd. 2. **Priority programs; conservation and watershed districts.** A county may levy amounts necessary to pay the reasonable costs to soil and water conservation districts and watershed districts of administering and implementing priority programs identified in an

approved and adopted plan or a comprehensive watershed management plan as defined in section 103B.3363.

History: 1990 c 391 art 2 s 24; 1992 c 511 art 2 s 4; art 5 s 3; 2013 c 143 art 4 s 2

103B.3355 WETLAND FUNCTIONS FOR DETERMINING PUBLIC VALUES.

(a) The public values of wetlands must be determined based upon the functions of wetlands for:

(1) water quality, including filtering of pollutants to surface and groundwater, utilization of nutrients that would otherwise pollute public waters, trapping of sediments, shoreline protection, and utilization of the wetland as a recharge area for groundwater;

(2) floodwater and storm water retention, including the potential for flooding in the watershed, the value of property subject to flooding, and the reduction in potential flooding by the wetland;

(3) public recreation and education, including hunting and fishing areas, wildlife viewing areas, and nature areas;

(4) commercial uses, including wild rice and cranberry growing and harvesting and aquaculture;

(5) fish, wildlife, native plant habitats;

(6) low-flow augmentation;

(7) carbon sequestration; and

(8) other public uses.

(b) The Board of Water and Soil Resources, in consultation with the commissioners of natural resources and agriculture and local government units, shall adopt rules establishing:

(1) scientific methodologies for determining the functions of wetlands; and

(2) criteria for determining the resulting public values of wetlands.

(c) The methodologies and criteria established under this section or other methodologies and criteria that include the functions in paragraph (a) and are approved by the board, in consultation with the commissioners of natural resources and agriculture and local government units, must be used to determine the functions and resulting public values of wetlands in the state. The functions listed in paragraph (a) are not listed in order of priority.

(d) Public value criteria established or approved by the board under this section do not apply in areas subject to local comprehensive wetland protection and management plans established under section 103G.2243.

(e) The Board of Water and Soil Resources, in consultation with the commissioners of natural resources and agriculture and local government units, may identify regions of the state where preservation, enhancement, restoration, and establishment of wetlands would have high public value. The board, in consultation with the commissioners, may identify high priority wetland regions using available information relating to the factors listed in paragraph (a). The board shall notify local units of government with water planning authority of these high priority regions.

History: 1991 c 354 art 2 s 4; 1996 c 462 s 3; 2009 c 176 art 1 s 25

**LOCAL WATER RESOURCES PROTECTION
AND MANAGEMENT PROGRAM**

103B.3361 CITATION.

Sections 103B.3361 to 103B.3369 may be cited as the "local water resources protection and management program."

History: 1989 c 326 art 2 s 8

103B.3363 DEFINITIONS.

Subdivision 1. **Scope.** The definitions in this section apply to sections 103B.3363 to 103B.3369.

Subd. 2. **Board.** "Board" means the Board of Water and Soil Resources.

Subd. 3. **Comprehensive local water management plan.** "Comprehensive local water management plan," "comprehensive water plan," "local water plan," and "local water management plan" mean a county water plan authorized under section 103B.311, a watershed management plan required under section 103B.231, a watershed management plan required under section 103D.401 or 103D.405, or a county groundwater plan authorized under section 103B.255.

Subd. 3a. **Comprehensive watershed management plan.** "Comprehensive watershed management plan" means a plan to manage the water and related natural resources of a watershed that consists of the plans listed in subdivision 3 or a separate plan that has been approved as a substitute by the board and adopted by local units of government for the same or additional purposes. The comprehensive watershed management plan shall be consistent with the goals of section 103A.212 and may address the goals in sections 103A.201 to 103A.211, and chapter 114D.

Subd. 4. **Local unit of government.** "Local unit of government" means a statutory or home rule charter city, town, county, or soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, a local health board, or other special purpose district or authority with local jurisdiction in water and related land resources management.

Subd. 5. **Program.** "Program" means a water-related program.

History: 1989 c 326 art 2 s 9; 1990 c 391 art 10 s 3; 1991 c 160 s 1; 2003 c 128 art 1 s 101; 2012 c 272 s 35

103B.3365 [Repealed, 1995 c 184 s 32]

103B.3367 WATER PLAN EXTENSIONS.

The board may grant extensions with or without conditions of the revision date of a comprehensive local water management plan or a comprehensive watershed management plan.

History: 2012 c 272 s 36

103B.3369 LOCAL WATER RESOURCES RESTORATION, PROTECTION, AND MANAGEMENT PROGRAM.

Subdivision 1. **Assistance priorities.** State agencies may give priority to local government unit requests that are part of or responsive to a comprehensive plan, local water management plan, watershed management plan, or comprehensive watershed management plan, developed

or amended, approved and adopted, according to chapter 103B, 103C, 103D, or 114D, when administering programs for water-related financial and technical assistance.

Subd. 2. **Establishment.** A local water resources restoration, protection, and management program is established. The board may provide financial assistance to local units of government for activities that restore, protect, or manage water and related land quality. The activities include planning, zoning, official controls, best management practices, capital projects, and other activities to implement a comprehensive plan, local water management plan, or watershed management plan, developed or amended, adopted and approved, according to chapter 103B, 103C, or 103D.

Subd. 3. [Repealed, 2003 c 128 art 1 s 176]

Subd. 4. **Contracts.** A local unit of government may contract to implement programs. An explanation of the program responsibilities proposed to be contracted must accompany grant requests. A local unit of government that contracts is responsible for ensuring that state funds are properly expended and for providing an annual report to the board describing expenditures of funds and program accomplishments.

Subd. 5. **Financial assistance.** A base grant may be awarded to a county that provides a match utilizing a water implementation tax or other local source. A water implementation tax that a county intends to use as a match to the base grant must be levied at a rate sufficient to generate a minimum amount determined by the board. The board may award performance-based grants to local units of government that are responsible for implementing elements of applicable portions of watershed management plans, comprehensive plans, local water management plans, or comprehensive watershed management plans, developed or amended, adopted and approved, according to chapter 103B, 103C, or 103D. Upon request by a local government unit, the board may also award performance-based grants to local units of government to carry out TMDL implementation plans as provided in chapter 114D, if the TMDL implementation plan has been incorporated into the local water management plan according to the procedures for approving comprehensive plans, watershed management plans, local water management plans, or comprehensive watershed management plans under chapter 103B, 103C, or 103D, or if the TMDL implementation plan has undergone a public review process. Notwithstanding section 16A.41, the board may award performance-based grants on an advanced basis. The fee authorized in section 40A.152 may be used as a local match or as a supplement to state funding to accomplish implementation of comprehensive plans, watershed management plans, local water management plans, or comprehensive watershed management plans under this chapter and chapter 103C or 103D.

Subd. 6. **Conditions.** (a) Grants provided to implement programs under this section must be reviewed by the state agency having statutory program authority to assure compliance with minimum state standards. At the request of the state agency commissioner, the board shall revoke the portion of a grant used to support a program not in compliance.

(b) Grants may be provided to develop, amend, or implement local water management plans, comprehensive plans, watershed management plans, or comprehensive watershed management plans, approved and adopted, according to chapter 103B, 103C, 103D, or 114D.

(c) A local unit of government may not request or be awarded grants for project implementation unless a comprehensive plan, local water management plan, watershed management plan, or comprehensive watershed management plan has been developed or amended, adopted and approved, according to chapter 103B, 103C, or 103D.

Subd. 7. [Repealed, 2002 c 220 art 8 s 16]

Subd. 8. [Repealed, 2002 c 220 art 8 s 16]

Subd. 9. **Performance-based criteria.** The board shall develop and utilize performance-based criteria for local water resources restoration, protection, and management programs and projects. The criteria may include but are not limited to science-based assessments, organizational capacity, priority resource issues, community outreach and support, partnership potential, potential for multiple benefits, and program and project delivery efficiency and effectiveness.

History: 1989 c 326 art 2 s 10; 1990 c 391 art 10 s 3; 1990 c 597 s 15; 1990 c 604 art 3 s 1,2; 1995 c 184 s 26,27; 2003 c 128 art 1 s 102-105; 2009 c 176 art 1 s 26; 2012 c 272 s 37; 2013 c 143 art 4 s 3

103B.341 PUBLIC DRAINAGE.

Projects necessary to implement the comprehensive water plan that are intended for the purpose of improving drainage must be established, repaired, and improved under chapter 103E and not sections 103B.301 to 103B.355.

History: 1990 c 391 art 2 s 25

103B.345 RESOLUTION OF DISPUTES.

Subdivision 1. **Informal resolution.** The county or other local unit of government may request a meeting with the chair of the Board of Water and Soil Resources to informally resolve a dispute before initiating a contested case procedure under this section.

Subd. 2. **Petition for hearing.** A county or other local unit of government may petition for a hearing by the board under this section if:

(1) the interpretation and implementation of a comprehensive water plan is challenged by a local unit of government aggrieved by the plan;

(2) two or more counties disagree about the apportionment of the costs of a project implementing a comprehensive water plan; or

(3) a county and another local unit of government disagree about a change in a local water and related land resources plan or official control recommended by the county under section 103B.325.

Subd. 3. **Time for petition.** The county or other local unit of government must file the petition by 60 days after:

(1) the date of the adoption or approval of the disputed ordinance or other decision required to be made to implement the comprehensive water plan; or

(2) the date a local unit of government receives a recommendation of the county board under section 103B.325.

Subd. 4. **Hearing.** If the aggrieved county or other local unit of government files a petition for a hearing, a hearing must be conducted by the board within 60 days of the request. The subject of the hearing may not extend to questions concerning the need for a comprehensive water plan. Within 60 days after the close of the hearing, the board shall, by resolution containing findings of fact and conclusions of law, make a final decision with respect to the issue before it.

Subd. 5. **Appeal.** Any local unit of government or state agency aggrieved by the final decision of the board may appeal the decision to the Court of Appeals in the manner provided by sections 14.63 to 14.69.

History: 1990 c 391 art 2 s 26; 1991 c 214 s 1,2

103B.351 [Repealed, 2002 c 220 art 8 s 16]

103B.355 APPLICATION.

Sections 103B.301 to 103B.335 and 103B.341 to 103B.355 do not apply in areas subject to the requirements of sections 103B.201 to 103B.255 under section 103B.231, subdivision 1, and in areas covered by an agreement under section 103B.231, subdivision 2, except as otherwise provided in section 103B.311, subdivision 4, clause (4).

History: 1990 c 391 art 2 s 28; 1990 c 601 s 2; 1995 c 184 s 28; 2003 c 128 art 1 s 106; 2012 c 272 s 38

**SOUTH DAKOTA-MINNESOTA BOUNDARY
WATERS COMMISSION**

103B.451 SOUTH DAKOTA-MINNESOTA BOUNDARY WATERS COMMISSION.

Subdivision 1. **Establishment.** An interstate commission known as the South Dakota-Minnesota Boundary Waters Commission is established. The members of the commission shall be the secretaries of the department of water and natural resources and the department of game, fish and parks of South Dakota and the commissioners of natural resources and the Pollution Control Agency of Minnesota. The fifth member shall be a qualified engineer appointed for a four-year term by the mutual consent of the governors of Minnesota and South Dakota.

Subd. 2. **Authority.** (a) The commission shall have power and authority:

(1) to investigate and determine the most desirable and beneficial levels of boundary waters artificially controlled and to prescribe a plan for controlling and regulating water levels;

(2) to hold hearings and take evidence as may be presented, either after complaint or upon its own initiative, as to the desirability of any water level and plan of regulation, and to issue orders concerning the same which in its opinion are for the best interests of the public;

(3) to plan, propose, coordinate and hold hearings on lake protection and rehabilitation projects for boundary waters; and

(4) to accept and distribute grants from any source for the purposes set forth in this section.

(b) The commission shall seek the advice of local units of government and encourage them to implement projects voluntarily and to enter into agreements with one another for that purpose. The commission itself has no authority to implement lake protection or rehabilitation projects.

Subd. 3. **Advisory committee.** The commission shall establish one local advisory committee for all commission activities. A majority of the members of the committee shall be elected officials of local governmental units, including tribal governments, within the boundary waters watershed with an equal number of representatives from each state. The advisory committee shall be consulted prior to any activity conducted by the commission.

Subd. 4. **Hearings.** (a) Hearings must be held at a time and place designated by the commission in counties affected by the subject matter.

(b) At least two weeks' published notice of the hearings must be given by publication of the notice in a legal newspaper in each county bordering on the boundary waters that may be affected by the subject matter of the hearing.

(c) All final orders of the commission must be published once each week for two consecutive weeks in a legal newspaper in each county bordering on the boundary waters that may be affected. The printer's affidavit of publication of all notices and orders must be filed with the commission. Hearings held pursuant to this section shall not be subject to the requirements of chapter 14.

Subd. 5. **Appeals.** Any party aggrieved by any order or any determination of the commission under this section may appeal to the district court or to the circuit court, as the case may be, of a county in either state where the subject matter of the order or the determination is wholly or partially located, or to the district court of the county in either state where its capitol is located. Notice of appeal must be served upon the commission within 30 days from the last date of publication of the order appealed from. Appeals may likewise be taken from the judgments of the district court or the circuit court, as the case may be, to the appellate courts of their respective states as in other civil cases.

History: 1990 c 391 art 2 s 29

LAKE IMPROVEMENT DISTRICTS

103B.501 LAKE IMPROVEMENT DISTRICTS.

Sections 103B.501 to 103B.581 may be cited as the "Lake Improvement District Law."

History: 1990 c 391 art 2 s 30

103B.505 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 103B.505 to 103B.581.

Subd. 2. **Board.** "Board" means county board.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of natural resources.

Subd. 4. **District.** "District" means a lake improvement district.

Subd. 5. **Joint county authority.** "Joint county authority" means a joint county authority formed by county boards under section 103B.525.

Subd. 6. **Property owner.** "Property owner" means the owner of real property within the district or the buyer under contract for deed of property in the district.

History: 1990 c 391 art 2 s 31

103B.511 ADMINISTRATION BY COMMISSIONER.

Subdivision 1. **Purpose.** (a) To preserve and protect the lakes of the state and to increase and enhance the use and enjoyment of the lakes it is in the public interest that a statewide lake improvement program is established to: preserve the natural character of lakes and their shoreland environment where feasible and practical; improve the quality of water in lakes; provide for reasonable assurance of water quantity in lakes, where feasible and practicable; and to assure protection of the lakes from the detrimental effects of human activities and certain natural processes. The commissioner shall coordinate and supervise a local-state program for the establishment of lake improvement districts by counties for lakes located within their boundaries,

based on state guidelines and rules and compatible with all state, regional, and local plans where the plans exist.

(b) In administration of this program, the commissioner of natural resources shall consult with and obtain advice from other state agencies on the aspects of the program over which the agencies have specific legislative authority, including the Department of Health and the Pollution Control Agency.

Subd. 2. **Rules.** The commissioner shall adopt permanent rules to provide guidelines, criteria, and standards for the establishment of lake improvement districts by counties.

History: 1990 c 391 art 2 s 32; 1995 c 233 art 2 s 56

103B.515 INITIATION AND ESTABLISHMENT BY COUNTY BOARD.

Subdivision 1. **Resolution of intent.** The county board may initiate the establishment of a lake improvement district in a portion of the county under this section. The board must adopt a resolution declaring the intent of the board to establish a lake improvement district. The resolution must:

- (1) specify the boundaries of the district, which shall be encouraged to be as consistent as practical with natural hydrologic boundaries;
- (2) prescribe the water and related land resource management programs to be undertaken in the district;
- (3) state how the programs will be financed;
- (4) designate the county officer or agency that will be responsible for supervising the programs; and
- (5) set a date for a hearing on the resolution.

Subd. 2. **Notice to town board.** The county board shall, at least 30 days before making an order establishing a lake improvement district, send the town board of a town wholly or partially within the boundaries of the proposed district a copy of the resolution and encourage the town board to respond to the proposed creation of the district.

Subd. 3. **Hearing.** The county board must hold a public hearing on whether a lake improvement district should be established. Before the date set for the hearing, any interested person may file objections to the formation of the district with the county auditor. At the hearing, any interested person may offer objections, criticisms, or suggestions about the necessity of the proposed district and how the person's property will be benefited or affected by the establishment of the district.

Subd. 4. **Establishment.** (a) The county board may establish a lake improvement district, by order, after making findings, if the board determines that the:

- (1) proposed district is necessary or that the public welfare will be promoted by the establishment of the district;
- (2) property to be included in the district will be benefited by establishing the district; and
- (3) formation of the district will not cause or contribute to long-range environmental pollution.

(b) The order establishing the district must state the board's findings and specify or prescribe the items contained in subdivision 1, clauses (1) to (4).

History: 1990 c 391 art 2 s 33

103B.521 INITIATION BY PETITION AND ESTABLISHMENT BY COUNTY BOARD.

Subdivision 1. **Petition.** (a) A lake improvement district may be initiated by a petition to the county board. The petition must state:

- (1) the name of the proposed lake improvement district;
- (2) the necessity of the proposed district to promote public health or public welfare;
- (3) the benefits to property from the establishment of the lake improvement district;
- (4) the boundaries of the proposed district which shall be encouraged to be as consistent as possible with natural hydrologic boundaries;
- (5) a map of the proposed district;
- (6) the number, from five to nine, of directors proposed for the district; and
- (7) a request for establishing the district as proposed.

(b) A petition must be signed by a majority of the property owners within the proposed lake improvement district described in the petition. Governmental subdivisions, other than the state or federal governments, owning lands within the proposed district are eligible to sign the petition.

(c) The petition must be filed with the county auditor and addressed to the board, requesting the board to establish a lake improvement district to develop and provide a program of water and related land resources management.

(d) The county board shall, at least 30 days before it acts on a petition, send the town board of a town wholly or partially within the boundaries of a proposed district a copy of the petition submitted under this subdivision and encourage the town board to respond to the proposed creation of the district.

Subd. 2. **Hearing.** After receiving the petition, the county auditor must verify the signatures and notify the county board. Within 30 days after being notified of the petition, the county board must hold a public hearing on whether the requested lake improvement district should be established.

Subd. 3. **Establishment.** Within 30 days after holding the public hearing, the county board shall, by order, establish or deny the establishment of the petitioned lake improvement district. An order establishing a district must conform to section 103B.535 and may modify the petition relating to the district's boundaries, functions, financing, or organization.

History: 1990 c 391 art 2 s 34; 2003 c 91 s 1

103B.525 ESTABLISHMENT OF DISTRICT IN MORE THAN ONE COUNTY.

Where the natural hydrologic boundaries of a proposed district extend into more than one county, the county boards of the counties affected may form a joint county authority and establish and maintain a lake improvement district jointly or cooperatively as provided in section 471.59. The district may be initiated by the joint county authority in the same manner as by a county board under section 103B.515 by petition to the affected county boards.

History: 1990 c 391 art 2 s 35

103B.531 CREATION BY COMMISSIONER OF NATURAL RESOURCES.

Subdivision 1. **Petition to commissioner.** If the county board of one or more of the counties affected has disapproved a petition for creation of a lake improvement district for an area, a petition for creation of a lake improvement district containing information required by section 103B.521, subdivision 1, may be submitted to the commissioner of natural resources.

Subd. 2. **Determination to hold hearing.** Upon receipt of the petition by the commissioner and verification of the signatures on the petition by the county, the commissioner may, within 30 days following verification, hold a public hearing at the expense of the county board on the question of whether the requested lake improvement district shall be established. The commissioner, in determining whether to hold a public hearing, shall examine all facts relating to the petition, including the reasons why the petition was disapproved by the county.

Subd. 3. **Approval or denial of petition.** (a) If a hearing is not to be held, within 30 days following the receipt of verification by the county, or within 30 days following the holding of a hearing, the commissioner shall, by order, approve or disapprove the establishment of the requested lake improvement district.

(b) If the commissioner determines that the establishment of the lake improvement district as requested in the petition would be for the public welfare and public interest, and that the purposes of section 103B.511, subdivision 1, would be served by the establishment of a lake improvement district, the commissioner shall by order approve the establishment of the lake improvement district. If the commissioner does not approve the establishment of the district, the commissioner shall by order disapprove the establishment.

(c) An order approving creation may contain modifications of the area's boundaries, functions, financing, or organization from what was stated in the petition.

History: 1990 c 391 art 2 s 36

103B.535 ORDER ESTABLISHING DISTRICT.

An order establishing a district must state the:

- (1) name of the district;
- (2) boundaries of the district, which are encouraged to be as consistent as practical with natural hydrologic boundaries;
- (3) water and related land resources management programs and services to be undertaken;
- (4) manner of financing programs and services; and
- (5) number, qualifications, terms of office, and method of election, removal, and filling of vacancies of the board of directors, including a method for property owners not present at the annual meeting to participate in the election of the district board.

History: 1990 c 391 art 2 s 37; 2000 c 396 s 1

103B.541 PUBLICATION AND EFFECTIVE DATE.

Subdivision 1. **Publication of establishment order.** If a lake improvement district is established, the county board, or joint county authority issuing the order establishing the district, shall publish the order once in the official newspapers of counties where the district is located and file the order with the secretary of state, the Pollution Control Agency, and the commissioner of natural resources.

Subd. 2. **Effective date.** Establishment of the lake improvement district is effective 30 days after publication or at a later date, if specified in the establishment order.

History: 1990 c 391 art 2 s 38

103B.545 REFERENDUM ON ESTABLISHMENT.

Subdivision 1. **Petition.** Twenty-six percent of the property owners within the lake improvement district proposed by the board or a joint county authority on its own initiative under section 103B.515, by petition under section 103B.521, or by the commissioner under section 103B.531, may petition for a referendum on establishing the district before the effective date of its establishment. After receiving the petition, the county board, joint county authority, or commissioner that proposed establishing the district must issue an order staying the establishment until a referendum vote is taken of all qualified voters and property owners within the proposed lake improvement district.

Subd. 2. **Election.** The county board or joint county authority shall conduct a special election in July or August after receiving the referendum petition. The special election must be held within the proposed lake improvement district. The county auditor shall administer the special election.

Subd. 3. **Question submitted to voters.** The question to be submitted and voted upon by the qualified voters and property owners within the proposed lake improvement district must be stated substantially as follows:

"Should a lake improvement district be established to provide (description of intended water and related land resources improvements) and financed by (description of revenue sources)?"

Subd. 4. **Certification of vote and establishment.** The county auditor must certify the vote on the question submitted. If a majority of those voting on the question favor establishing the proposed lake improvement district, the stay on establishing the district is lifted. If a majority of those voting on the question do not favor establishing the proposed lake improvement district, the establishment is denied.

History: 1990 c 391 art 2 s 39; 2000 c 396 s 2

103B.551 BOARD OF DIRECTORS.

Subdivision 1. **Membership.** After a lake improvement district is established, the county board, joint county authority, or commissioner that established the district shall appoint persons to serve as an initial board of directors for the district. Subsequent board members must be elected by persons owning property in the district at the annual meeting of the district. The number, qualifications, terms of office, and method of election, removal, and filling of vacancies of directors shall be as provided in the order creating the board of directors. The initial and all subsequent boards of directors must include persons owning property within the district, and a majority of the directors must be residents of the district.

Subd. 2. **Compensation.** The directors shall serve with compensation as determined by the property owners at the annual meeting and may be reimbursed for their actual expenses necessarily incurred in the performance of their duties in the manner provided for county employees.

Subd. 3. **Powers.** County boards, joint county authorities, statutory and home rule cities, and towns may, by order, delegate the powers in this section to the board of directors of a district to be exercised within the district. Programs and services undertaken must be consistent with the statewide water and related land resources plan prepared by the commissioner of natural resources

and with regional water and related land resources plans. A body of water may not be improved by using authority granted under this section unless the public has access to some portion of the shoreline. County boards, joint county authorities, statutory and home rule cities, and towns may delegate their authority to a district board of directors to:

- (1) acquire by gift or purchase an existing dam or control works that affects the level of waters in the district;
- (2) construct and operate water control structures that are approved by the commissioner of natural resources under section 103G.245;
- (3) undertake projects to change the course current or cross section of public waters that are approved by the commissioner of natural resources under section 103G.245;
- (4) acquire property, equipment, or other facilities, by gift or purchase to improve navigation;
- (5) contract with a board of managers of a watershed district within the lake improvement district or the board of supervisors of a soil and water conservation district within the district for improvements under chapters 103C and 103D;
- (6) undertake research to determine the condition and development of the body of water and the water entering it and to transmit the results of the studies to the Pollution Control Agency and other interested authorities;
- (7) develop and implement a comprehensive plan to eliminate water pollution;
- (8) conduct a program of water improvement and conservation;
- (9) construct a water, sewer, or water and sewer system in the manner provided by section 444.075 or other applicable laws;
- (10) receive financial assistance from and participate in projects or enter into contracts with federal and state agencies for the study and treatment of pollution problems and related demonstration programs;
- (11) make cooperative agreements with the United States or state government or other counties or cities to effectuate water and related land resource programs;
- (12) maintain public beaches, public docks, and other public facilities for access to the body of water;
- (13) provide and finance a government service of the county or statutory or home rule city that is not provided throughout the county or, if the government service is provided, the service is at an increased level within the district; and
- (14) regulate water surface use as provided in sections 86B.205, 103G.605, and 103G.621.

History: 1990 c 391 art 2 s 40; 1996 c 385 art 2 s 7; 2000 c 396 s 3

103B.555 FINANCING.

Subdivision 1. **Revenue.** The county board or joint county authority may undertake projects of improvement consistent with purposes of the district. To finance projects and services of the district, the county board or joint county authority may, only after seeking other sources of funding:

- (1) assess the costs of the projects upon benefited property within the district in the manner provided under chapter 429;

- (2) impose service charges on the users of lake improvement district services within the district;
- (3) issue obligations as provided in section 429.091;
- (4) levy an ad valorem tax solely on property within the lake improvement district, to be appropriated and expended solely on projects of special benefit to the district; or
- (5) impose or issue any combination of service charges, special assessments, obligations, and taxes.

Subd. 2. **Tax additional to other levies.** A tax under subdivision 1 may be in addition to amounts levied on all taxable property in the county for the same or similar purposes.

Subd. 3. **Budgeting for operations.** The county board or county boards forming the joint county authority shall include appropriate provisions in their budget for the operation of a lake improvement district.

Subd. 4. **District obligations.** The district, with approval of the county board or joint county authority, expressed in a resolution identifying each specific improvement to which the approval applies, may exercise the powers of a city under chapter 429 and section 444.075, including, but not limited to:

- (1) the levy of special assessments;
- (2) the imposition of rates and charges; and
- (3) the issuance of bonds

to finance improvements that the district may undertake.

History: 1990 c 391 art 2 s 41; 2000 c 396 s 4; 2001 c 214 s 1

103B.561 VOTING BY JOINT COUNTY BOARDS.

If a lake improvement district has been established by order of the commissioner of natural resources under section 103B.531, voting by county boards on joint actions of the lake improvement district shall be based on proportional representation for each county according to the proportion of the population of the lake improvement district residing within each county and not on the basis of one vote per county or one vote per county board member unless each county or each board member represents substantially the same number of persons residing within the lake improvement district.

History: 1990 c 391 art 2 s 42

103B.565 ENFORCEMENT OF ORDINANCES.

If a lake improvement district has been established by joint county action under section 103B.525 or order of the commissioner of natural resources under section 103B.531, ordinances and regulations adopted by joint action of the affected county boards may be enforced in any part of the lake improvement district by personnel of any of the affected counties.

History: 1990 c 391 art 2 s 43

103B.571 ANNUAL MEETING OF DISTRICT.

Subdivision 1. **Time.** A district must have an annual meeting. The first annual meeting shall be scheduled during the month of July or August and be held annually in that period unless changed by vote of the previous annual meeting.

Subd. 2. **Notice.** The annual meeting shall be preceded by two weeks' published notice and written notice mailed at least ten days in advance of the meeting to the county board or joint county authority, town boards and statutory and home rule charter cities wholly or partially within the district, the Pollution Control Agency, commissioner of natural resources, and if there is a proposed project by the district having a cost in excess of \$5,000, all property owners within the assessment area.

Subd. 3. **Agenda.** (a) At the annual meeting the district property owners present shall:

- (1) elect one or more directors to fill any midterm vacancies in the board of directors;
- (2) approve a budget for the fiscal year;
- (3) approve or disapprove proposed projects by the district having a cost to the district in excess of \$5,000; and
- (4) take up and consider other business that comes before them.

(b) At the annual meeting all district property owners, including absent members as provided in the order establishing the district, shall elect one or more directors for board positions with expiring terms.

Subd. 4. **Annual report.** Each year the board of directors shall prepare and file a report of the financial conditions of the district, the status of all projects in the district, the business transacted by the district, other matters affecting the interests of the district, and a discussion of the directors' intentions for the succeeding years. Copies of the report shall be transmitted to the county board or joint county authority, town boards and city councils of statutory and home rule charter cities wholly or partially within the district, the commissioner of natural resources, and the Pollution Control Agency by four months after the annual meeting.

History: 1990 c 391 art 2 s 44; 2000 c 396 s 5

103B.575 EXPANSION OF BOUNDARIES OF A LAKE IMPROVEMENT DISTRICT.

The boundary of a district may be enlarged by complying with the procedures to establish a district under sections 103B.511 to 103B.541.

History: 1990 c 391 art 2 s 45

103B.581 TERMINATION.

Subdivision 1. **Petition.** Termination of a district may be initiated by petition requesting the termination of the district. The petition must be signed by a majority of the property owners in a district within 30 days after receiving a petition. The county board or joint county authority must set a time and place for a hearing on terminating the district.

Subd. 2. **Findings and order.** If the board or joint county authority determines that the existence of the district is no longer in the public welfare or public interest and it is not needed to accomplish the purpose of the Lake Improvement District Law, the board or joint county authority shall make the findings and terminate the district by order. On filing a certified copy of the findings and order with the secretary of state, Pollution Control Agency, and commissioner of natural resources the district is terminated and ceases to be a political subdivision of the state.

Subd. 3. **Termination of financing.** If a district is terminated under subdivision 2, additional water and related land resource management programs may not be undertaken with money raised by a special tax within the district, and additional special water and related land resource management taxes may not be levied within the district. If money raised by past special

tax levies within the district has been exhausted, further operation and maintenance of existing programs may be financed by appropriations from the general revenue fund of an affected county.

History: 1990 c 391 art 2 s 46; 1999 c 86 art 1 s 18; 2003 c 91 s 2

LAKE MINNETONKA CONSERVATION DISTRICT

103B.601 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 103B.601 to 103B.645.

Subd. 2. **Board.** "Board" means the governing board of the directors of the district.

Subd. 3. **District.** "District" means the Lake Minnetonka Conservation District.

Subd. 4. **Municipality.** "Municipality" means the home rule charter or statutory city of Minnetrista, Mound, Spring Park, Orono, Minnetonka Beach, Wayzata, Minnetonka, Woodland, Deephaven, Shorewood, Greenwood, Excelsior, Tonka Bay, or Victoria.

History: 1990 c 391 art 2 s 47

103B.605 DISTRICT.

Subdivision 1. **Establishment.** The Lake Minnetonka Conservation District established under Laws 1967, chapter 907, and Laws 1969, chapter 272, is a corporate and political body and a political subdivision of this state, and may sue and be sued, enter into contracts, and hold real and personal property for its purposes.

Subd. 2. **District is an employer.** The district is an employer within the definition of section 176.011, subdivision 10, and is included in the provisions of chapter 176.

Subd. 3. **District is public corporation.** The district is a public corporation within the definition of section 466.01 and is included in the provisions of chapter 466.

Subd. 4. **Dissolution.** The district may be dissolved by the decision of the governing bodies of three-quarters of the municipalities in the district. The decision of a town shall be made by the board of supervisors of the town.

History: 1990 c 391 art 2 s 48

103B.611 BOARD.

Subdivision 1. **Composition.** The district is governed by a board composed of members appointed by the governing bodies of the municipalities included in the district. Each municipality may appoint one member.

Subd. 2. **Term.** The term of office of each board member is three years unless the appointing municipality recalls the member and either appoints another member for the balance of the term or leaves the office vacant for the balance of the term. This subdivision applies both to members serving on the effective date of Laws 1995, chapter 184, and to members appointed after the effective date of Laws 1995, chapter 184.

Subd. 3. **Powers.** Subject to the provisions of chapters 97A, 103D, 103E, 103G, and 115, and the rules and regulations of the respective agencies and governing bodies vested with jurisdiction and authority under those chapters, the district has the following powers on Lake Minnetonka, excluding the area of public drainage ditches or watercourses connected to the lake:

(1) to regulate the types of boats permitted to use the lake and set service fees;

(2) to regulate, maintain, and police public beaches, public docks, and other public facilities for access to the lake within the territory of the municipalities, provided that a municipality may supersede the district's action under this clause by adopting an ordinance specifically referring to the district's action by one year after the district's action;

(3) to limit by rule the use of the lake at various times and the use of various parts of the lake;

(4) to regulate the speed of boats on the lake and the conduct of other activities on the lake to secure the safety of the public and the most general public use;

(5) to contract with other law enforcement agencies to police the lake and its shore;

(6) to regulate the construction, installation, and maintenance of permanent and temporary docks and moorings consistent with federal and state law;

(7) to regulate the construction and use of mechanical and chemical means of deicing the lake and to regulate mechanical and chemical means of removal of weeds and algae from the lake;

(8) to regulate the construction, configuration, size, location, and maintenance of commercial marinas and their related facilities including parking areas and sanitary facilities. The regulation shall be consistent with the applicable municipal building codes and zoning ordinances where the marinas are located;

(9) to contract with other governmental bodies to perform any of the functions of the district;

(10) to undertake research to determine the condition and development of the lake and the water entering it and to transmit their studies to the Pollution Control Agency and other interested authorities, and to develop a comprehensive program to eliminate pollution;

(11) to receive financial assistance from and join in projects or enter into contracts with federal and state agencies for the study and treatment of pollution problems and demonstration programs related to them; and

(12) to petition the board of managers of a watershed district in which the lake conservation district is located for improvements under section 103D.705; a bond is not required of the lake conservation district.

For purposes of this subdivision "watercourses connected to the lake" does not include channels connecting portions of the lake to one another.

Subd. 4. **Bylaws and board procedures.** The board shall adopt a seal, bylaws for the regulation of the affairs of the district, and rules of procedure to govern the board's actions that are consistent with law.

History: 1990 c 391 art 2 s 49; 1995 c 184 s 29,30; 2004 c 255 s 43

103B.615 DISTRICT OFFICERS.

Subdivision 1. **Election and terms.** (a) The board shall elect from its membership a chair to serve for a period of one year and shall also elect a secretary and a treasurer.

(b) The officers hold office at the pleasure of the board.

Subd. 2. **Compensation.** The board shall fix the compensation of the officers.

Subd. 3. **Other officers and employees.** The board may appoint other officers, agents, and employees who shall perform duties and receive compensation as the board determines and are removable at the pleasure of the board.

History: 1986 c 444; 1990 c 391 art 2 s 50

103B.621 TREASURER.

Subdivision 1. **Bond.** Before taking office, the treasurer shall give bond to the district in an amount to be determined by the board.

Subd. 2. **Duties.** (a) The treasurer shall receive and is responsible for all money of the district. The money of the district shall be considered public funds.

(b) The treasurer shall disburse the funds of the district in accordance with rules of the board.

Subd. 3. **Investments.** (a) If there are funds not currently needed, the treasurer may invest the funds in treasury bonds, certificates of indebtedness, bonds or notes of the United States of America, or bonds, notes or certificates of indebtedness of the state of Minnesota. The bonds, certificates, or notes must mature by three years from the date of purchase. If the board determines that invested funds are needed for current purposes before the maturity dates of the bonds, certificates, or notes, the board shall notify the treasurer and the treasurer shall order the sale or convert the bonds, certificates, or notes into cash in the amount determined by the board.

(b) The interest and profit on investments shall be credited to and constitute a part of the funds of the district.

Subd. 4. **Financial statement.** The treasurer shall keep an account of the funds received and disbursed. At least once a year at times designated by the board, the treasurer must file a financial statement with the municipalities forming the district showing in appropriate and identifiable groupings:

- (1) the receipts and disbursements since the last approved financial statement;
- (2) the money on hand;
- (3) the purposes for which the money of the district is appropriated;
- (4) an account of all bonds, certificates, or notes purchased and the funds from which they were purchased; and
- (5) the interest and profit that has accrued from investments.

Subd. 5. **Compensation for clerks.** The district may pay to the treasurer compensation to cover hiring clerks to carry out the treasurer's duties.

History: 1990 c 391 art 2 s 51

103B.625 EXECUTIVE DIRECTOR.

Subdivision 1. **Appointment.** The board may appoint an executive director for the district. The executive director shall serve at the pleasure of the board and shall receive compensation as determined by the board.

Subd. 2. **Duties and powers.** Under the supervision of the board, the executive director:

- (1) is the executive and operating officer of the district;
- (2) is responsible for the operation, management, and promotion of all activities with which the district is charged and other duties prescribed by the board; and
- (3) has the powers necessarily incident to the performance of the duties of the executive director and other powers granted by the board, but without authority to incur liability or make expenditures on behalf of the district without general or specific directions by the board, as shown by the bylaws or minutes of its meetings.

History: 1990 c 391 art 2 s 52

103B.631 PERFORMANCE OF DUTIES AND EXPENSES.

Subdivision 1. **Duties may be performed by municipal employees.** The duties of the district may be executed by employees of the municipalities.

Subd. 2. **Expenses.** The expenses of the district shall be borne by the municipalities. The portion of the expenses of the district borne by each municipality must be in proportion to its net tax capacity provided that the portion of any one municipality may not be more than 20 percent of the total expense or less than \$200.

History: 1990 c 391 art 2 s 53

103B.635 FUNDING OF DISTRICT.

Subdivision 1. **Budget.** The board must, on or before July 1 each year, prepare and submit a detailed budget of the district's needs for the next calendar year to the governing body of each municipality in the district with a statement of the proportion of the budget to be provided by each municipality. The governing body of each municipality in the district shall review the budget and the board, upon notice from a municipality, must hear objections to the budget. After the hearing, the board may modify or amend the budget. Notice must be given to the municipalities of modifications or amendments.

Subd. 2. **Municipal funding of district.** (a) The governing body or board of supervisors of each municipality in the district must provide the funds necessary to meet its proportion of the total cost determined by the board, provided the total funding from all municipalities in the district for the costs shall not exceed an amount equal to .00242 percent of the total estimated market value within the district, unless three-fourths of the municipalities in the district pass a resolution concurring to the additional costs.

(b) The funds must be deposited in the treasury of the district in amounts and at times as the treasurer of the district requires.

History: 1990 c 391 art 2 s 54; 1993 c 375 art 7 s 1; 2013 c 143 art 14 s 9

103B.641 REGULATIONS OF DISTRICT.

Subdivision 1. **Authority and effect.** (a) The district may adopt rules and regulations to effectuate the purpose of its establishment and the powers granted to the district.

(b) The rules and regulations have the effect of an ordinance if declared by the board of directors of the district and stated in the rule or regulation.

(c) The rules and regulations of the district may be enforced by the district by injunction in addition to penalties under this section.

Subd. 2. **Adoption procedure.** (a) A rule or regulation must be suitably titled.

(b) A rule or regulation must be adopted by a majority vote of all of the members of the board of directors. The adopted rule or regulation must be signed by the chair, attested by the secretary of the board, and published once in an official newspaper.

(c) Proof of publication must be attached to and filed with the rule or regulation. Each rule and regulation must be recorded in the rule and regulation book by 20 days after its publication.

Subd. 3. **Penalty.** A person who violates a rule or regulation that has the force and effect of an ordinance is guilty of a misdemeanor and subject to a sentence of not more than 90 days plus costs or a fine of not more than \$100 plus costs.

History: 1990 c 391 art 2 s 55

103B.645 PROSECUTION OF VIOLATIONS.

Subdivision 1. **Complaint for violation.** A prosecution for a violation of a rule or regulation shall be brought in the name of the district upon complaint and warrant as in other criminal cases. If the accused is arrested without a warrant, a written complaint shall be made, to which the accused shall be required to plead, and a warrant shall issue on the complaint. The warrant and all other process in such cases shall be directed for service to a police officer, court officer, or sheriff of any of the municipalities in the district.

Subd. 2. **Complaint.** It is a sufficient pleading of the rules and regulations of the district to refer to them by section and number or chapter, or any other way that clearly reflects the rules and regulations that are the subject of the pleading. The rules and regulations shall have the effect of general laws within the district and need not be given in evidence upon the trial of an action.

Subd. 3. **Appeal to district court.** Appeals may be taken from the district court in the same manner as from judgments in civil actions.

History: 1990 c 391 art 2 s 56; 2005 c 10 art 2 s 4

WHITE BEAR LAKE CONSERVATION DISTRICT

103B.651 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 103B.655 to 103B.691.

Subd. 2. **Board.** "Board" means the governing board of the district.

Subd. 3. **District.** "District" means the White Bear Lake Conservation District.

Subd. 4. **Municipality.** "Municipality" means the city of White Bear Lake, the town of White Bear, the city of Birchwood, the city of Mahtomedi, or the city of Dellwood.

History: 1990 c 391 art 2 s 57

103B.655 DISTRICT.

Subdivision 1. **Establishment.** The White Bear Lake Conservation District established under Laws 1971, chapter 355, as amended by Laws 1974, chapter 111, and Laws 1977, chapter 322, is a corporate and political body, and may sue and be sued, enter into contracts, and hold real and personal property for its purposes.

Subd. 2. **District is employer.** The district is an employer within the definition of section 176.011, subdivision 10, and is included in the provisions of chapter 176.

Subd. 3. **District is political and corporate body.** The district is a public corporation and a political subdivision of the state. The district is also within the definition of section 466.01, and is included in the provisions of chapter 466.

Subd. 4. **Dissolution.** The district may be dissolved by the decision of the governing bodies of four of the municipalities in the district. The decision of a town shall be made by the board of supervisors of the town.

History: 1990 c 391 art 2 s 58

103B.661 BOARD.

Subdivision 1. **Membership.** (a) The district shall be governed by the board composed of members elected by the governing bodies of the municipalities included in the district. Each municipality shall elect two members.

(b) The term of office of each member shall be three years.

Subd. 2. **Powers.** Subject to the provisions of chapters 97A, 103D, 103E, 103G, and 115, and the rules and regulations of the respective agencies and governing bodies vested with jurisdiction and authority under those chapters, the district has the following powers to:

- (1) regulate the types of boats permitted to use the lake and set service fees;
- (2) limit the use of motors, including their types and horsepower, on the lake;
- (3) regulate, maintain, and police public beaches, public docks, and other public facilities for access to the lake within the territory of the municipalities;
- (4) limit by rule the use of the lake at various times and the use of various parts of the lake;
- (5) regulate the speed of boats on the lake and the conduct of other activities on the lake to secure the safety of the public and the most general public use;
- (6) contract with other law enforcement agencies to police the lake and its shores;
- (7) regulate the construction, installation, and maintenance of permanent and temporary docks and moorings consistent with federal and state law;
- (8) regulate the construction and use of mechanical and chemical means of deicing the lake and to regulate the mechanical and chemical means of removal of weeds and algae from the lake;
- (9) regulate the construction, configuration, size, location, and maintenance of commercial marinas and their related facilities including parking areas and sanitary facilities. The regulation shall be consistent with the applicable municipal building codes and zoning ordinances where said marinas are situated;
- (10) contract with other governmental bodies to perform any of the functions of the district;
- (11) undertake research to determine the condition and development of the lake and the water entering it and to transmit their studies to the Pollution Control Agency and other interested authorities; and to develop a comprehensive program to eliminate pollution;
- (12) receive financial assistance from and join in projects or enter into contracts with federal and state agencies for the study and treatment of pollution problems and demonstration programs related to them;
- (13) petition the board of managers of a watershed district where the White Bear Lake Conservation District is located for improvements under section 103D.705, for which a bond may not be required of the district; and
- (14) to require the submission of all plans pertaining to or affecting construction or other lakeshore use on any lot or parcel of land abutting the shoreline including: length of setback from the shoreline, adjoining property, or any street or highway; problems of population density;

possible water, air or visual pollution; or height of construction. The board shall have 60 days after submission of plans or any part thereof for review. If, within 60 days of submission the board finds the plan or any part is inconsistent with its plans or ordinances, it may recommend that the plan or any part be revised and resubmitted.

Subd. 3. **Bylaws and board procedures.** The board shall adopt a seal, bylaws for the regulation of the affairs of the district, and rules of procedure to govern the board's actions that are consistent with law.

History: 1990 c 391 art 2 s 59; 2011 c 107 s 52

103B.665 DISTRICT OFFICERS AND EMPLOYEES.

Subdivision 1. **Election and terms.** (a) The board shall elect from its membership the following officers to serve for a period of one year: chair, vice-chair, secretary, and treasurer. The offices of secretary and treasurer shall be combined unless a resolution is adopted to the contrary by the board prior to the election.

(b) The officers shall hold office at the pleasure of the board.

Subd. 2. **Compensation.** The board shall set the compensation of the officers.

Subd. 3. **Employees.** The board may appoint other officers, agents, and employees who shall perform duties and receive compensation as the board determines and are removable at the pleasure of the board.

History: 1990 c 391 art 2 s 60

103B.671 TREASURER.

Subdivision 1. **Bond.** Before taking office, the treasurer shall give bond to the district in an amount to be determined by the board.

Subd. 2. **Duties.** (a) The treasurer shall receive and is responsible for the money of the district. The money of the district shall be considered public funds.

(b) The treasurer shall disburse the funds of the district in accordance with rules of the board.

Subd. 3. **Investments.** (a) If funds are not currently needed, the treasurer may invest the funds in treasury bonds, certificates of indebtedness, bonds or notes of the United States of America, or bonds, notes, or certificates of indebtedness of the state of Minnesota. The bonds, notes, or certificates must mature by three years from the date of purchase.

(b) If the board determines that invested funds are needed for current purposes before the maturity dates of the securities held, the board shall certify to the treasurer and the treasurer shall order the sale or conversion of the bonds, notes, or certificates needed into cash.

(c) The interest and profit on investments shall be credited to and constitute a part of the funds of the district.

Subd. 4. **Accounting and records.** The treasurer shall keep an account of the funds received and disbursed. At least once a year, at times designated by the board, the treasurer must file with the municipalities forming the district a financial statement of the district showing in appropriate and identifiable groupings:

- (1) the receipts and disbursements since the last approved statements;
- (2) the money on hand and the purposes for which the money is appropriated; and

(3) an account of bonds, notes, and certificates purchased, the funds from which they were purchased, and the interest and profit accrued on the investment.

Subd. 5. **Compensation for clerks.** The district may pay to the treasurer compensation to cover hiring clerks and to carry out the treasurer's duties.

History: 1990 c 391 art 2 s 61

103B.675 EXECUTIVE DIRECTOR.

Subdivision 1. **Appointment.** (a) The board may appoint an executive director.

(b) The executive director is the executive and operating officer of the district, shall serve at the pleasure of the board, and shall receive compensation set by the board.

Subd. 2. **Duties and powers.** (a) Under the supervision of the board, the executive director is responsible for the operation, management, and promotion of all activities of the district and other duties prescribed by the governing board.

(b) The executive director has the powers necessarily incident to the performance of the executive director's duties and other powers granted by the board, except the director does not have authority to incur liability or make expenditures on behalf of the district without general or specific directions by the board as shown by the bylaws or minutes of the board's meetings.

History: 1990 c 391 art 2 s 62

103B.681 RULES.

Subdivision 1. **Authority.** The district may adopt rules to effectuate the purposes of its establishment and the powers granted to the district. All rules must be suitably entitled.

Subd. 2. **Effect of rules.** The rules have the force and effect of an ordinance if declared by the board and stated in the rules.

Subd. 3. **Procedure.** (a) A rule must be enacted by a majority vote of all the members of the board. The rule must be signed by the chair and attested by the secretary.

(b) The rule must be published once in official newspapers of Washington and Ramsey Counties. Proof of publication shall be attached to and filed with the rule.

(c) A rule must be recorded in the rule book within 20 days after its publication.

Subd. 4. **Criminal penalty.** (a) A violation of rule is a misdemeanor and punishable by a sentence of not more than 90 days plus costs or a fine of not more than \$300 plus costs.

(b) All prosecutions for violations of rules shall be brought in the name of the district upon complaint and warrant as in other criminal cases.

Subd. 5. **Injunction.** The rules may be enforced by the district by injunction in addition to other penalties provided.

History: 1986 c 444; 1990 c 391 art 2 s 63

103B.683 PROSECUTION OF VIOLATIONS.

Subdivision 1. **Complaint for violation.** A prosecution for a violation of a rule or regulation shall be brought in the name of the district upon complaint and warrant as in other criminal cases. If the accused is arrested without a warrant, a written complaint shall be made, to which the accused shall be required to plead, and a warrant shall issue on the complaint. The

warrant and all other process in such cases shall be directed for service to a police officer, court officer, or sheriff of any of the municipalities in the district.

Subd. 2. **Complaint.** It is a sufficient pleading of the rules and regulations of the district to refer to them by section and number or chapter, or any other way that clearly reflects the rules and regulations that are the subject of the pleading. The rules and regulations shall have the effect of general laws within the district and need not be given in evidence upon the trial of an action.

Subd. 3. **Appeal to district court.** Appeals may be taken from the district court in the same manner as from judgments in civil actions.

History: 1990 c 391 art 2 s 64; 2005 c 10 art 2 s 4

103B.685 PERFORMANCE OF DUTIES AND EXPENSES.

Subdivision 1. **Duties.** The duties of the district may be executed by employees of the municipalities.

Subd. 2. **Expenses.** The expenses of the district shall be borne by the municipalities. The portion of the expenses of the district borne by each municipality must be in proportion to its net tax capacity, except a municipality's portion may not be less than \$200 per year.

History: 1990 c 391 art 2 s 65

103B.691 FUNDING OF DISTRICT.

Subdivision 1. **Budget.** The board must, on or before July 1 each year, prepare and submit a detailed budget of the district's needs for the next calendar year to the governing body of each municipality in the district with a statement of the proportion of the budget to be provided by each municipality. The governing body of each municipality in the district shall review the budget and the board upon notice from a municipality must hear objections to the budget. After the hearing, the board may modify or amend the budget. Notice must be given to the municipalities of modifications or amendments.

Subd. 2. **Municipal funding of district.** (a) The governing body or board of supervisors of each municipality in the district shall provide the funds necessary to meet its proportion of the total cost to be borne by the municipalities as finally certified by the board.

(b) The municipality's funds may be raised by any means within the authority of the municipality. The municipalities may each levy a tax not to exceed .02418 percent of estimated market value on the taxable property located in the district to provide the funds. The levy shall be within all other limitations provided by law.

(c) The funds must be deposited into the treasury of the district in amounts and at times as the treasurer of the district requires.

History: 1990 c 391 art 2 s 66; 2013 c 143 art 14 s 10

STAR LAKES AND RIVERS

103B.701 STAR LAKES.

Subdivision 1. **Definition.** For the purposes of this section, the term "lake association" means an association organized for the purpose of addressing issues on a specific lake or river, a lake improvement district, or a lake conservation district.

Subd. 2. **Application.** (a) A lake association may apply to the Star Lake Board for designation as a star lake or river. The applicant must include a copy of a star lake or river management plan for the lake or river.

(b) After review of the application, the Star Lake Board shall determine whether designation as a star lake or river will be granted. The designation as a star lake or river becomes effective the day following designation by the board. The board shall publish the decision on a star lake or river designation in the State Register, including the effective date of the designation.

(c) The star lake or river designation is effective until the earlier of:

(1) five years after the date of designation; or

(2) when the Star Lake Board finds that the lake association is not fulfilling the requirements of this section or of the star lake or river management plan submitted.

(d) Within six months before the expiration date of the designation as a star lake or river, a lake association may apply to continue the star lake or river designation under this section.

Subd. 3. **Eligibility.** A lake association applying for designation as a star lake or river must:

(1) develop and update a star lake or river management plan as provided in subdivision 4;

(2) maintain a membership or participation of at least 50 percent of the private shoreland owners;

(3) participate in a water quality monitoring program under section 115.06, subdivision 4, or other programs meeting Pollution Control Agency standards; and

(4) meet at least annually to review the plan and notify appropriate state agencies and local government units in the development and monitoring of the star lake or river management plan.

Subd. 4. **Star lake or river management plan.** (a) A star lake or river management plan must contain a baseline of the current condition of the lake or river based on scientific information and plans for addressing the following issues:

(1) increases in native vegetation in the littoral area of the lake or river, where appropriate;

(2) increases in native vegetation on the shoreline areas of the lake or river, where appropriate;

(3) prevention, reduction, or elimination of aquatic invasive species in the lake or river;

(4) increasing or maintaining a healthy diverse fishery that is appropriate for the lake or river;

(5) how the association will work with state agencies and local government units to identify water pollution sources and impairments;

(6) how the association will assist state and local programs to generate data needed by state agencies and local government units in an appropriate format;

(7) promoting compliance with adopted shoreland zoning standards and shoreland best management practices;

(8) how the lake association will ensure its involvement in public input opportunities for various local comprehensive and project-specific planning and zoning processes;

(9) education and recognition opportunities for shoreland owners and other entities that conduct activities affecting the quality of the lake or river; and

(10) other activities that will coordinate with or enhance other state and local water management efforts.

(b) The star lake or river management plan shall be updated within five years of adoption by the lake association.

Subd. 5. **State resources.** State agencies may consider star lake or river designation in determining the allocation of financial and staff resources.

History: 2008 c 363 art 5 s 17

103B.702 STAR LAKE BOARD.

Subdivision 1. **Establishment.** (a) The Star Lake Board shall be established as a nonprofit corporation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Star Lake Board shall promote and designate star lakes and rivers in Minnesota under section 103B.701.

(b) The board must work with private and public entities to leverage the resources available to achieve and sustain the designation of Minnesota star lakes or rivers. The board may assist lake associations with finding appropriate technical and financial assistance and make recommendations to state agencies and local government units regarding the manner in which technical or financial assistance can be most effectively delivered. To the extent that money is available, the board may secure, provide, or recommend financial assistance to meet specific needs of lake associations for:

(1) completing a star lake or river management plan when the lake association does not have an existing management plan and the association is committed to the goals of a plan, as specified in section 103B.701, subdivision 4; and

(2) addressing specific issues of the lake or river to achieve or maintain the goals of the lake or river management plan for lake associations that have achieved a star lake or river designation.

(c) The board shall consist of:

(1) three public members appointed by the speaker of the house, with one member representing county governments, one member representing city governments, and one member representing an organization that promotes clean lakes and rivers;

(2) three public members appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration, with one member representing county governments, one member representing city governments, and one member representing an organization that promotes clean lakes and rivers;

(3) five members, chosen by the other board members with regard to obtaining representation from a variety of types of lakes and rivers within the state, who are from lake associations representing designated star lakes or rivers, or until July 1, 2011, are eligible to achieve star lake or river designation;

(4) one member designated by the commissioner of natural resources;

(5) one member designated by the commissioner of the Pollution Control Agency;

(6) one member designated by the chair of the Board of Water and Soil Resources; and

(7) one member designated by the Indian Affairs Council.

(d) By January 15 of each odd-numbered year, the board shall submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over

environment policy and finance on the activities for which money has been or will be spent for the current biennium, the applications for designation, and the star lakes or rivers designated by the board.

(e) Public members appointed by the speaker of the house and the senate Subcommittee on Committees of the Committee on Rules and Administration serve at the pleasure of the appointing authority.

Subd. 2. **Conflict of interest.** A board member may not participate in or vote on a decision of the board relating to an organization in which the member has either a direct or indirect personal financial interest. While serving on the Star Lake Board, a member shall avoid any potential conflict of interest.

Subd. 3. **Staff; contracts.** The board may hire staff or enter into contracts to carry out the activities of the board.

Subd. 4. **Bylaws.** The board shall adopt bylaws necessary for the conduct of the business of the board consistent with this section. The corporation must publish bylaws and amendments to the bylaws in the State Register.

Subd. 5. **Place of business.** The board shall locate and maintain the board's place of business within the state.

Subd. 6. **Chair.** The board shall annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 7. **Meetings.** The board shall meet at least twice each year and may hold additional meetings upon giving notice in accordance with the bylaws of the board. Board meetings are subject to chapter 13D.

Subd. 8. **Funds.** The board may accept and use gifts, grants, or contributions from any source. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of and invest or reinvest the money, securities, or other property given or bequeathed to it. The principal of these funds, the income from them, and all other revenues received by the board from any nonstate source must be placed in the depositories the board determines and are subject to expenditure for the board's purposes.

Subd. 9. **Accounts; audits.** The board may establish funds and accounts necessary to carry out its responsibilities. The board shall provide for and pay the cost of an independent audit of its official books and records by the legislative auditor subject to sections 3.971 and 3.972. A copy of this audit shall be filed with the secretary of state.

Subd. 10. **Decisions; review and approval.** Decisions of the Star Lake Board regarding the criteria used to designate a lake or river as a "Minnesota Star Lake" or "Minnesota Star River," as well as a decision to award grants, are subject to the review and approval of the Board of Water and Soil Resources.

History: 2008 c 363 art 5 s 18; 2010 c 361 art 4 s 50