

Benefits and Damages Determination, Minnesota Statutes §103D.721

School Section Lake Modified Outlet Control Project

Project No. 17-1

Clearwater River Watershed District

Board of Managers

July 19, 2017

On May 17, 2017, by Resolution 17-05-4 of the Clearwater River Watershed District ("District") Board of Managers ("Board"), the School Section Lake Modified Outlet Control Project was initiated as District Project No. 17-1 ("Project"). The following is the Board's benefits and damages determination.

A. Purpose and Objectives

1. The purpose of this report is to determine benefits and damages to all lands affected by the Project as required by Minnesota Statutes §103D.721, subdivision 2.
2. By Resolution 17-06-3, adopted on June 27, 2017, the Board resolved to determine benefits and damages in lieu of appointment of appraisers.
3. By statute, this determination is to be made "with the assistance of the engineer." The final report of the District engineer ("Engineer's Report"), which the Board received and accepted on June 27, 2017, is incorporated herein and its factual and technical findings adopted.

B. Project Benefits

3. Minnesota Statutes §103D.725, subdivision 2, directs that benefited property include:
 - (a) Property receiving direct benefit for drainage, recreation, commercial navigation, sewage or waste disposal, bank stabilization, flood control, land reclamation, siltation prevention, erosion control, or lake level maintenance;
 - (b) Property that contributes water that is stored, handled, or controlled by the proposed project;
 - (c) Assessable benefit to the state due to improvement of a lake, stream or other waterbody as a place for propagation, protection, and preservation of fish and other forms of wildlife;
 - (d) Benefit to a municipal corporation that occurs to the property in the municipality generally; and
 - (e) Benefit to property used for railway or other utility purposes.
4. The Project is to modify an existing outlet structure on School Section Lake by installing a sheet pile weir with a locking platform. The weir is an essential component of the outlet structure to minimize the risk of periodic ice damage to the structure and sediment migration into the outlet conveyance, both of which otherwise would increase the risk of flooding to riparian properties that would result from the structure becoming nonfunctional.
5. Flooding of riparian properties may result in structure damage; temporary loss of property use; erosion and bank avulsion; and economic loss due to expanded local, state or federal floodplain regulation.
6. Without the functioning outlet structure, School Section Lake is a landlocked basin. The basin flooded in 1984 with substantial structural damage and loss. Precipitation and climate patterns indicate increased precipitation and higher storm intensity in the future.

C. Benefits Determination

7. The lots of record riparian to School Section Lake are all within one or more residential zoning districts. Riparian lots include two larger tracts in agricultural use and a small number of legally unbuildable lots. The vast majority of the riparian lots are developed with single-family homes or buildable for that purpose. The benefit to such lots is that of a functional and reliable outlet that converts a landlocked basin into a basin with a reliably established water elevation and moderated water level fluctuation. The present outlet structure, without a sheet pile weir, does not fulfill this purpose.

8. A functional and reliable outlet supports property value for any lot suited to residential use whether or not that lot presently is developed. The Engineer's Report cites a study from Natural Hazards (2013) that reviews the impact of past flooding on residential property value. This study, and other studies that it cites, find that the "stigma" of flooding has an effect on property value. The Project, by providing for the existing outlet structure to be functional and reliable, will serve to eliminate a "stigma" that otherwise might attach to School Section Lake riparian properties as the result of the prior flooding and the landlocked condition of the basin.

9. On the basis of the cited study, the Engineer's Report finds a benefit to riparian residential parcels from the Project equal to 15 percent of the taxable value of such parcels. This is a reasonable exercise of the engineer's judgment in light of the study, and this finding is adopted. Accordingly, a benefit of \$1,421,895 for maintenance of property value is adopted. The estimate of \$53,300 in avoided repair costs as itemized in the Engineer's Report also is adopted.

10. Non-riparian properties drain to School Section Lake, however absent an unreasonable acceleration of runoff from a non-riparian property, it enjoys the right to drain to lower lands and therefore a reliable outlet on such lands does not afford a non-riparian property a cognizable benefit. The District has determined that the water level of School Section Lake influences groundwater level a certain distance from the lake, and therefore in theory may affect the efficiency with which a non-riparian tract may be served by private drains. However, the District does not have sufficient technical data or understanding to conclude that the effect of the outlet structure in this respect is measurable, or to measure it. For these reasons, no benefit is assigned to non-riparian lands.

11. By limiting the potential for large lake level fluctuations, the Project will reduce the risk of erosion or bank avulsion, and therefore the expected overall level of sediment entering School Section Lake or its outlet structure and making its way to downstream receiving waters. However, the amount of sediment retained is too speculative to apply an assessment to the state for downstream habitat improvement.

12. There will be no benefits to municipal parcels generally, or to railway or other utility facilities.

13. Accordingly, the managers establish a single class of benefited property, denominated as Class I and consisting of all tracts riparian to School Section Lake. Table 1 attached hereto lists and describes these tracts. Because the Project benefits riparian land suited to residential purposes generally, whether that land is presently developed or not, each lot of record will be assigned one unit of benefit and the approved assessment statement for the Project will provide for a pro rata assessment.

14. In accordance with paragraphs 9 through 12, above, the total Project benefit is \$1,475,195.

15. Notwithstanding paragraph 13, the District will make the following adjustments with respect to riparian lots when in the managers' judgment support has been adequately given:

- a. A lot of record designated by the land use authority as unbuildable for a primary residence will be assigned a zero unit of benefit.
- b. If a present lot of record is subdivided, each riparian buildable lot resulting from the subdivision will be assigned one unit of benefit.
- c. If two or more lots of record are combined into a single buildable lot of record, the single lot will be assigned one unit of benefit.
- d. A lot in tax forfeit status will be assigned a zero unit of benefit.

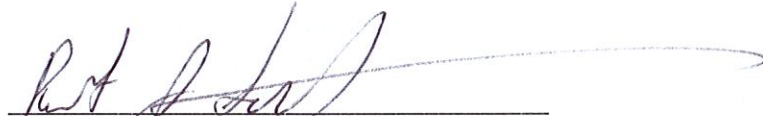
All changes in accordance with this paragraph will be prospective only.

D. Damages Determination

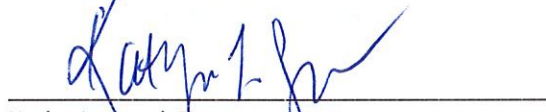
16. The District presently holds all easements on private land necessary to construct and maintain the Project. There are no damages associated with the Project.

E. Basic Water Management Portion

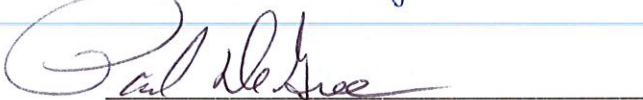
17. No part of Project cost will be paid and generally assessed as a basic water management portion within the meaning of Minnesota Statutes §103D.721, subdivision 4.



Robert Schiefelbein, President



Kathy Jonsrud, Treasurer



Paul DeGree, Secretary



Robert Rocheleau



Chris Uecker, Vice-President

Date:

TABLE 1 - Class I Benefitted Properties

#	PIDs	Name	Mailing Address	Mailing CSZ	Property Address	Property CSZ	Units of Benefit
1	20.11101.0010	Richard Eckman	7905 137th St	Kimball, MN 55353-9602	13262 83rd Ave	Kimball, MN 55353	1
2	20.11101.0003	Robert & Penny Blanchard	7900 137th St	Kimball, MN 55353	7900 137th St	Kimball, MN 55353	1
3	20.11105.0000	Richard Eckman	7905 137th St	Kimball, MN 55353-9602	7905 137th St	Kimball, MN 55353-9602	1
4	20.11761.0000	James & Mary Schwebel	4 Park Ln	Minneapolis, MN 55416-4340	N/A	N/A	1
5	20.11762.0000	Daniel Stein	7352 Lakeside Farm Rd	South Haven, MN 55382	14428 75th Ave	Kimball, MN 55353	1
6	20.11762.0500	State of Minnesota- DNR	500 Lafayette Rd PO BOX 45	Saint Paul, MN 55155-4045	N/A	N/A	1
7	20.11762.0510	State of Minnesota- DNR	500 Lafayette Rd PO BOX 45	Saint Paul, MN 55155-4045	N/A	N/A	1
8	20.11764.0000	Mark & Mary Jansky	14281 75th Ave	Kimball, MN 55353-9748	14281 75th Ave	Kimball, MN 55353	1
9	20.11765.0000	Daniel & Patricia Markwardt	8193 150th St	Kimball, MN 55353-9750	8193 150th St	Kimball, MN 55353-9750	1
10	20.11765.0010	State of Minnesota- DNR	500 Lafayette Rd PO BOX 45	Saint Paul, MN 55155-4045	N/A	N/A	1
11	20.11792.0000	Jason & Jill Beck	14181 Badger Rd	Kimball, MN 55353	14181 Badger Rd	Kimball, MN 55353	1
12	20.12014.0000	Robert & Lois Rowbottom	2025 Oakview Ln N	Plymouth, MN 55441-3940	7601 145th St	Kimball, MN 55353	1
13	20.12015.0000	State of Minnesota- DNR	500 Lafayette Rd PO BOX 45	Saint Paul, MN 55155-4045	N/A	N/A	1
14	20.12017.0000	William & Beverly Spies	7657 145th St	Kimball, MN 55353	7657 145th St	Kimball, MN 55353	1
15	20.12018.0000	Mary Kay Richter	11125 County Road 33	Young America, MN 55397	7673 145th St	Kimball, MN 55353-9784	1
16	20.12019.0000	Arthur & Marion Heilmer	8206 Washburn Ave S	Minneapolis, MN 55431-1662	7681 145th St	Kimball, MN 55353	1
17	20.12020.0000	Alan & Lorene Budenski	1636 Orchard Springs Rd	Bloomington, MN 55420-2550	7713 145th St	Kimball, MN 55353	1
18	20.12021.0000	Bruce & Darlene Way	7725 145th St	Kimball, MN 55353	7725 145th St	Kimball, MN 55353	1
19	20.12022.0000	Scott & Christine Nelson	4111 146th Ln NW	Andover, MN 55304	7741 145th St	Kimball, MN 55353-9784	1

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20	20.12023.0000	Thomas & Nancy Pelzer	513 6th Ave NE	Saint Cloud, MN 56304-0117	7763 145th St	Kimball, MN 55353	1
21	20.12024.0000	State of Minnesota	705 Courthouse Sq Rm 148	Saint Cloud, MN 56303	N/A	N/A	0
22	20.12025.0000	State of Minnesota	600 N Robert St	Saint Paul, MN 55101	N/A	N/A	0
23	20.12072.0000	Shirley Zipoy	14150 Badger Rd	Kimball, MN 55353-9603	14150 Badger Rd	Kimball, MN 55353-9603	1
24	20.12121.0000	Mark Norberg	16726 County Road 35 W	Cokato, MN 55321	14397 75th Ave	Kimball, MN 55353	1
25	20.12122.0000	Karin Larson Trust	500 Salerno Dr	Pacific Palisades, CA 90272-3247	N/A	N/A	0
26	20.12123.0000	Karin Larson Trust	500 Salerno Dr	Pacific Palisades, CA 90272-3247	14379 75th Ave	Kimball, MN 55353	0
27	20.12124.0000	Karin Larson Trust	500 Salerno Dr	Pacific Palisades, CA 90272-3247	14371 75th Ave	Kimball, MN 55353	1
28	20.12125.0000	William & Carolyn Michelson	11027 Queen Cir	Bloomington, MN 55431-3949	14345 75th Ave	Kimball, MN 55353	1
29	20.12126.0000	State of Minnesota	705 Courthouse Sq Rm 148	Saint Cloud, MN 56303	N/A	N/A	0
30	20.12127.0000	State of Minnesota	600 N Robert St	Saint Paul, MN 55101	N/A	N/A	0
31	20.12128.0000	State of Minnesota	600 N Robert St	Saint Paul, MN 55101	N/A	N/A	0
32	20.12129.0000	Lucy Lang Rev Trust	14291 75th Ave	Kimball, MN 55353	14291 75th Ave	Kimball, MN 55353	1
33	20.12134.0100	Danny & Shelly Wittenberg	13984 Badger Rd	Kimball, MN 55353	13984 Badger Rd	Kimball, MN 55353	1
34	20.12134.0102	Eric & Denise Donnay	8046 Badger Ct	Kimball, MN 55353	8046 Badger Ct	Kimball, MN 55353	1
35	20.12134.0104	Richard Eckman	7905 137th St	Kimball, MN 55353-9602	8024 Badger Ct	Kimball, MN 55353	1
36	20.12134.0106	Eckman Trust	17656 63.53 Rd	Montrose, CO 81403	8002 Badger Ct	Kimball, MN 55353	1
37	20.12134.0108	Donald & Joanne Olson Trust	7990 Badger Ct	Kimball, MN 55353	7990 Badger Ct	Kimball, MN 55353	1
38	20.12134.0128	Daniel Zahler	10 Oak Ave S	Annandale, MN 55302	7562 Lakeside Farm Rd	South Haven, MN 55382	1
39	20.12134.0130	Carol Wolff	22645 CASH 14	Darwin, MN 55324	7576 Lakeside Farm Rd	South Haven, MN 55382	1
40	20.12134.0132	Robert & Kay Rocheleau	7594 Lakeside Farm Rd	South Haven, MN 55382	7594 Lakeside Farm Rd	South Haven, MN 55382	1
41	20.12135.0000	Barbara Poss	501 Theodore Wirth Pkwy #202	Minneapolis, MN 55422-5339	N/A	N/A	0

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#	PIDs	Name	Mailing Address	Mailing CSZ	Property Address	Property CSZ	Units of Benefit
42	20.12136.0000	Barbara Poss	501 Theodore Wirth Pkwy #202	Minneapolis, MN 55422-5339	14036 Badger Rd	Kimball, MN 55353	1
43	20.12137.0000	Kyle Neu	16948 Carousel Rd	Paynesville, MN 56362	14050 Badger Rd	Kimball, MN 55353	1
44	20.12138.0000	Bradley Ebeling	120 County Road 8 S	Maple Lake, MN 55358	14062 Badger Rd	Kimball, MN 55353	0
45	20.12139.0000	Kyle Neu	16948 Carousel Rd	Paynesville, MN 56362	14050 Badger Rd	Kimball, MN 55353	0
46	20.12140.0000	Bradley Ebeling	120 County Road 8 S	Maple Lake, MN 55358	14074 Badger Rd	Kimball, MN 55353	1
47	20.12141.0000	Chad Heggestad	14090 Badger Rd	Kimball, MN 55353	14090 Badger Rd	Kimball, MN 55353	1
48	20.12142.0000	Chad Heggestad	14090 Badger Rd	Kimball, MN 55353	N/A	N/A	0
49	20.12143.0000	Angelo & Kristine DePietto	9975 Old Wagon Trl	Eden Prairie, MN 55347	14096 Badger Rd	Kimball, MN 55353	0
50	20.12144.0000	Angelo & Kristine DePietto	9975 Old Wagon Trl	Eden Prairie, MN 55347	14106 Badger Rd	Kimball, MN 55353	1
51	20.12145.0000	Lawrence Seckinger	4912 Sunnyside Rd	Edina, MN 55424-1110	14120 Badger Rd	Kimball, MN 55353-9603	1
52	20.12146.0000	Ronald Dockendorf	PO BOX 499	Watkins, MN 55389	14128 Badger Rd	Kimball, MN 55353	1
53	20.12148.0000	Shirley Zipoy	14150 Badger Rd	Kimball, MN 55353-9603	14140 Badger Rd	Kimball, MN 55353	1
54	20.12149.0000	Roger & Sheila Braegelmann	20917 County Road 141	Kimball, MN 55353-9792	14236 Badger Rd	Kimball, MN 55353	1
55	20.12155.0000	David McLaughlin	275 Summit Ave	Saint Paul, MN 55102	14199 73rd Ave	Kimball, MN 55353	1
56	20.12156.0000	David McLaughlin	275 Summit Ave	Saint Paul, MN 55102	14153 73rd Ave	Kimball, MN 55353	1
57	20.12157.0000	James Schwebel	4 Park Ln	Minneapolis, MN 55416-4340	14137 73rd Ave	Kimball, MN 55353	1
TOTALS							45