

What is this packet of information and what does it have to do with ME?

Please read this page first. This is not a bill. This packet of information is being sent to you because property in your ownership has been identified to have direct or indirect water runoff into the Judicial Ditch No. 18 drainage system. A public drainage system is owned by the property owners who have water draining to it and are benefitted. By State Law, these public drainage systems are managed by the Drainage Authority which includes a representative from the affected Counties' Board of Commissioners. Public drainage systems are most often called a "County Ditch", "Judicial Ditch" or "Joint County Ditch". Judicial Ditch No. 18 takes water from your property and is undergoing a redetermination of benefits.

A Redetermination of Benefits is a process that identifies all properties that drain stormwater into a public ditch system. When Public Ditch systems were established, most were considered "agricultural" ditches and the property owners adjacent to the ditch system paid to construct and maintain them. The Minnesota Drainage Law now requires stormwater from agricultural and non-agricultural lands to be considered. The "benefit" for stormwater is considered when runoff may be accelerated due to surface drainage, subsurface tile, rooftops, driveways, parking lots, etc. The conversion of land from grassland or trees to a residential, agricultural, or industrial use is shown to accelerate runoff into rivers, lakes, streams, and ultimately into County Ditches. Your land may be a long way from the actual ditch and possibly much higher in elevation. If you are in the ditch system watershed, you *may* have a "benefit". Even at a very small level, this runoff contributes to the capacity needs and to the need for routine maintenance and repairs of public drainage systems. This may be considered an "indirect" benefit. Many people have restored wetlands and completed other water storing projects. These are great projects and are given consideration.

On the enclosed "Property Owner's Report" form, the first paragraph suggests a "hypothetical" expense for the ditch system. It also shows your total benefitted acres, total benefits, total damages (if any) as well as an "estimated cost". **IF** the ditch system incurred the "hypothetical" expense in one year, your share of that expense is shown as your *estimated cost*. Your drainage assessment will be based on the submitted "Viewers Report" and the benefit value that your property is assigned. For example, if the Ditch system has \$100,000 in total benefits and your property has a \$1,000 benefit, you would pay 1% of all maintenance and repair costs. Ditch assessments are not a "tax" and have nothing to do with County budgets. Routine maintenance and repair is needed but will vary from year to year. If there are no maintenance and repair costs, you will not be assessed.

The page(s) you received from the Viewer's Report is the page that has your property details. The properties are listed in numerical order by Parcel Identification Number rather than by last name or street address. That is why you may not see your neighbor's name on the sheet you received. A full copy of the Viewer's Report is on the Swift, Chippewa and Kandiyohi County website.

You will be notified when there are ditch assessments. Assessments are based on the amount of maintenance and repairs needed to cover the costs of maintenance and repairs. Some years there may not be an assessment at all. Other years we may have a fairly sizeable repair bill. The first years after a redetermination is when the cost of the redetermination of benefits, the cost of the buffer strip acquisition as well as any maintenance costs are assessed. Ditch assessments will automatically be shown on your property tax statement and due the same time as your property taxes.

The packet of information you received can be quite confusing. I hope this brief summary helps. We welcome questions and comments regarding how benefits were calculated for your property. **Please attend the individual County Public Informational Meeting and Public Hearing if you have questions or concerns. The notice with the time and location for meetings and hearing is enclosed.**

**BEFORE THE SWIFT, CHIPPEWA, KANDIYOHI JOINT BOARD OF
COMMISSIONERS ACTING AS DRAINAGE AUTHORITY FOR
JUDICIAL DITCH #18 - REDETERMINATION OF BENEFITS**

NOTICE OF PUBLIC HEARING

Whereas, The Swift, Chippewa, Kandiyohi Joint Board of Commissioners, acting as the Judicial Ditch No. 18 Drainage Authority, has determined that the benefits of record do not reflect current land values and have appointed viewers to redetermine the benefits and damages from the original construction of the aforementioned drainage system; and

Whereas, the Viewers Report for the Redetermination of Benefits has been filed with the Joint County Board,

NOW, THEREFORE, Notice is hereby given that the Drainage Authority will hear public comment on the acceptance of the redetermination of benefits in the **Law Enforcement Center, 301 14th Street N, Benson, Minnesota on September 2, 2015 at 1:00 p.m.** All persons interested in the redetermination of benefits wanting to be heard should appear at this time. If accepted, the redetermined benefits will replace those now being used and all future maintenance expenses will be prorated based upon the redetermined benefits.

Swift County Information Meeting

There will be an Information Meeting for the Swift County Property Owners, prior to the final hearing, presenting information on the Viewers Report, the process and procedures use to determine the benefitted areas and values, and discussion of the maintenance needs and costs in the **Law Enforcement Center, 301 14th Street N, Benson, Minnesota on July 23, 2015 at 10:00 a.m.** Informational meetings are being held in each county for the convenience of all affected property owners.

Swift-Chippewa-Kandiyohi
Joint Drainage Authority:

RE: Judicial Ditch No. 18
Redetermination of Benefits

June 17, 2015

In accordance with the Minnesota Statute 103E.351, we herewith submit the following Viewers' Report:

Benefits and Damages Statement

This report covers the redetermination of benefits for a previously constructed drainage system. The basis for determining benefits and damages is, therefore, based upon a comparison of the conditions that would have existed prior to the ditch system's original construction with those that do exist with the improved drainage system in a reasonable state of repair.

Swift-Chippewa-Kandiyohi Counties Judicial Ditch No.18 is the lower reach of the Shakopee Creek. The judicial ditch system was originally in the early 1900's as county ditch systems. In the 1950's the US Army Corps of Engineers constructed a flood control works that, after construction was turned back to the Counties for administration and maintenance. This became Judicial Ditch No. 18. The project provides an outlet for lands in Swift, Chippewa and Kandiyohi Counties.

Supporting documentation for the analysis and conclusions of the report are contained in our files and are available for inspection.

The figures stated herein are based on a full and fair consideration of all pertinent facts and information that we were aware of at the time of this appraisal. The following aids were used during the viewing process.

1. Soil Survey Manuals and Maps of the affected counties.
2. GIS data, aerial photos, LiDAR, and contours.
3. Yield averages and production costs taken from Minnesota State College and University Farm Management Records
4. Sales data from the affected Counties Assessors' offices
5. Visual inspection of each 40-acre tract
6. Consultation with the appointed engineer and area producers.

Benefits have been determined under Minnesota statues 103E.315. Consideration has been given to land that receives benefit from an increase in market value or has an increase in agricultural potential as a result of the construction of the drainage system. Additional lands were considered as benefitted where the property is responsible for increased drainage system maintenance or increased drainage system capacity because the natural drainage on the property has been altered or modified to accelerate the drainage of water from the property.

No direct consideration was given to structure values within the watershed.

Valuation Prior To Improvement

Beginning land use, property value, and economic productivity have been determined with the consideration that the benefitted properties within the watershed currently do not have an adequate outlet for artificial drainage.

"A" Frequently flooded areas, shallow lakes or wetlands with a market value for agricultural purposes of \$0.00 per acre, economic productivity of \$0.00.

"B" Seasonally flooded/pasture ground. Pasture classification with a market value of \$1000.00 to \$1500.00 per acre, economic productivity of \$80.00 based on grazing days and/or hay values.

"C" - Wet subsoil -- Marginal crop land, low to medium crop land classification with a market value of \$4000.00 to \$5000.00 per acre, annual economic productivity of \$532.97 based upon average annual yield of 80 % of optimum with \$390.89 production costs.

"C-" Hydric soils in areas not directly impacted by the constructed improvements. These lands were naturally grass land prairie, wetland grasses, shallow marsh, or woody wetlands prior to conversion to agricultural or other use.

"D-" Upland soils in areas not directly impacted by the physical constructed improvements. These land were naturally grassland prairie or wooded areas prior to conversion.

Valuation with Recommended Improved Drainage

Potential land use, property value, and economic productivity, after public and private drainage have been installed and with the drainage system in a reasonable state of repair, using current crop rotation, income, and expense. Average annual optimum production is estimated as 180 bushel corn at \$4.00, 50 bushel soybeans at \$10.00, and 22 ton of sugar beets at \$38.00. Production cost does not include land or full equipment costs.

"A" - Seasonally ponded agricultural ground. Low cropland classification with a market value of range of \$ 4500.00 to \$5500.00 per acre, annual economic productivity of \$612.90 based upon average annual yield of 92 % of optimum with \$390.89 production costs.

"B" - Occasionally flooded agricultural ground. Medium cropland classification with a market value range of \$5000.00 to \$6000.00 per acre, economic productivity of \$639.55 based upon average annual yield of 96 % of optimum with \$390.89 production costs.

"C" - Wet subsoil. Medium high cropland classification with a market value range of \$6000.00 to \$7000.00 per acre, annual economic productivity of \$666.20 based upon average annual yield of 100 % of optimum with \$390.89 production costs.

"A-" – Partially drained areas restricted from further improvement with a highest and best use as hay or pasture ground.

"B-" Upland soils that have undergone a change to a commercial land use and have accelerated runoff, at a rate greater than naturally existed.

"C-" Hydric soils that have undergone a change of land use, are likely to be have subsurface tile installed, and have accelerated runoff at a rate greater than naturally existed.

"D-" Upland soils that have undergone a change of land use and have accelerated runoff, at a rate greater than naturally existed.

Utilizing these productive values, potential benefit values were determined for the system based upon a 25-year effective life with proper maintenance, private improvement cost depreciated over the same 25-year period, and an allowance of 1.0% return on the system investment. Adjustment was made to each land class based upon consideration of the change in hydraulic capacity and the subsequent increased productivity that the construction of the drainage system improvement provided. Benefit values were rounded off to an even percentage benefit increase for ease of computation.

Example: "B" Benefits per Acre

Potential productivity Value (96%)	\$639.55
Production Cost	-390.89
Beginning Productivity Value	<u>- 75.00</u>
Change in Productivity Value	173.67
Private Improvement (\$400/25) (Waterway or tile)	<u>-34.00</u>
Annual Benefit Value	\$139.67

\$139.67 x 25 years, discounted @ 1.0% = \$3075.91

Rounded to \$3080.00

The current drainage system is an open ditch but, with the accelerated drainage, does not have the hydraulic capacity that is typically recommended for current drainage system design. The direct benefit value has been adjusted to reflect this condition. The value lost has been applied to the outlet value for the properties with alterations causing an accelerated runoff causing an increase in the drainage systems needed capacity and increased maintenance.

The benefit value was applied to the number of acres determined to be in each class per tract. The benefit value for each direct benefit class of land was then adjusted for the proximity from the drainage system and natural outlet. An adjustment rate multiplier has been applied to the accelerated runoff benefits for the improved outlet provided, by the ditch system construction, to these properties indirectly impacted.

Road benefits were determined with consideration of the reduced construction and maintenance costs that were realized after construction of the drainage system. Roads not receiving direct benefit were considered benefitted for the accelerated runoff from the changed land use.

The originally project included the establishment of a buffer adjacent to the constructed open ditch. No additional damages have been given for the easement acquisition required for establish of the one-rod seeding area required by Minnesota Statute No. 103E.021.

Respectfully submitted,

Ron Ringquist

Cliff Emmert

Merlyn Beekman

