
**THE RILEY PURGATORY BLUFF CREEK
WATERSHED DISTRICT
ANNUAL REPORT
FOR YEAR ENDING DECEMBER 31, 2008**

INTRODUCTION.....	2
ACTIVITY REPORT.....	3
APPOINTED BOARD MEMBERS.....	3
ADVISORY COMMITTEE MEMBERS	4
<i>Citizen Advisory Committee Members.....</i>	<i>4</i>
<i>Technical Advisory Committee Members</i>	<i>5</i>
CONSULTANTS	6
GOALS AND OBJECTIVES OF PLAN.....	7
1. <i>Basic Water Management Projects Petitioned by Municipalities</i>	<i>7</i>
a. Riley Creek.....	7
b. Round Lake.....	7
2. <i>Water Management Plan Projects.....</i>	<i>8</i>
a. Lotus Lake Outlet Analysis and Volume Control Project	10
b. Lotus Lake Water Quality Improvement Project.....	10
c. Fish Barrier & Invasive Species Control	11
d. Mitchell Lake Water Quality Improvement Project	11
e. Lake Susan Shoreline Restoration.....	11
3. <i>Summary of Water Quantity and Quality Monitoring Data</i>	<i>12</i>
4. <i>Local Plan Adoption and Implementation.....</i>	<i>12</i>
5. <i>Annual Communication.....</i>	<i>12</i>
6. <i>Solicitation of Interest Proposals</i>	<i>12</i>
II. FINANCIAL AND AUDIT REPORTS	13
A. REPORTING OF REVENUES AND EXPENDITURES.....	13
B. BUDGET ADOPTED FOR 2008.....	13
III. CONCLUSION.....	13

INTRODUCTION

Pursuant to Minnesota Statutes Section 103D.351 and Minnesota Rules Section 8410.0150, the Board of Managers of the Riley Purgatory Bluff Creek Watershed District submits its 2008 Annual Activity Report. The report includes the District's members, technical and citizen advisors, summaries of the plans, goals, water management projects, and communication programs of the District. The District distributes its Annual Activity Report to the Minnesota Department of Natural Resources and the Board of Soil and Water Resources as provided by law.

Copies of the report or audit may be obtained from the District's Managers or through www.rileywd.org. The Managers invite comments and suggestions concerning this report.

ACTIVITY REPORT

Appointed Board Members

NAME AND OFFICE	APPOINTING COUNTY	MAILING ADDRESS AND TELEPHONE NUMBER	DATE OF TERM EXPIRATION
Kenneth Wencil Vice President	Carver	8412 Great Plains Boulevard Chanhassen, MN 55317 (952) 906-2181	7/31/2009
Howard Peterson Treasurer	Hennepin	7021 Duck Lake Road Eden Prairie, MN 55346 (952) 934-2050	7/31/2009
Michael Casanova President	Hennepin	18559 Kristie Lane Eden Prairie, MN 55346 (952) 937-8372	7/31/2010
John Perry Forster Manager	Hennepin	9505 Highview Drive Eden Prairie, MN 55347 (952) 934-0938	7/31/2011
Kristine Sundberg Secretary	Hennepin	18617 Covington Road Minnetonka, MN 55345	7/31/2011

Advisory Committee Members

Citizen Advisory Committee Members

<u>NAME AND OFFICE</u>	<u>RESIDENCE</u>	<u>MAILING ADDRESS</u>
Ms. Mary Borns mborns@corporatemechanical.com 612-685-0439	Chanhassen	7199 Frontier Trail Chanhassen, MN 55317
Mr. Greg Halvorson halvo012@umn.edu 952-937-1957	Eden Prairie	9536 Lakeland Terrace Eden Prairie, MN 55347
Mr. John Bushey jabushey@mac.com 952-934-9152	Eden Prairie	9000 Riley Lake Road Eden Prairie, MN 55347
Mr. Scott Maeyaert 952-945-0173	Chanhassen	7506 Erie Avenue Chanhassen, MN 55317
Mr. Steve Donen c_sdonen@yahoo.com 952-974-9163	Chanhassen	7341 Frontier Trail Chanhassen, MN 55317
Mr. Jim Nehl jnehl@comcast.net 952-934-8540	Eden Prairie	8011 Island Road Eden Prairie, MN 55347
Mr. David Florenzano davidflorenzano@gmail.com 952-937-5351	Eden Prairie	9470 Lakeland Terrace Eden Prairie, MN 55347
Mr. John Tyler johnt@hsa-healthsavingsaccounts.com 952-975-3838	Eden Prairie	17574 Belfast Cover Eden Prairie, MN 55347
Rod Fisher 952-913-8095 Rfisher06@comcast.net	Eden Prairie	16820 South Shore Lane Eden Prairie, MN 55346

Technical Advisory Committee Members

<u>NAME AND OFFICE</u>	<u>MUNICIPALITY</u>	<u>MAILING ADDRESS</u>
Shelly Pederson City Engineer	City of Bloomington	1700 West 98 th Street Bloomington, MN 55431 (952) 563-4870
Paul Oehme City Engineer/Director of Public Works	City of Chanhassen	7700 Market Boulevard P.O. Box 147 Chanhassen, MN 55317 (952) 227-1169
David Poggi Water Resources Engineer	City of Deephaven	2638 Shadow Lane #200 Chaska, MN 55318 (952) 448-8838 x2607
Representative of City of Eden Prairie	City of Eden Prairie	8080 Mitchell Road Eden Prairie, MN 55344 (951) 949-8420
Lee Gustafson Director of Engineering	City of Minnetonka	14600 Minnetonka Boulevard Minnetonka, MN 55343 (952) 939-8239
James Landini City Engineer	City of Shorewood	5755 Country Club Road Shorewood, MN 55331 (952) 829-7145

Consultants

The principal consultants serve at the pleasure of the Board of Managers and for monthly flat fees. By requiring these terms, the Board of Managers retains independent contractor consultants who provide all of the necessary engineering, accounting, legal, public information, and administrative services without the need for employees' attendant salary, space, telephone, pension and insurance costs, while meeting statutory and regulatory requirements. The District's independent consultants effectively fulfill its obligations, goals, and objectives within the approved finances and budget. The following consultants served the District in 2008:

NAME	ORGANIZATION	MAILING ADDRESS AND TELEPHONE NUMBER
Mark Enochs	CH2MHILL Engineer	1295 Northland Drive, #200 Mendota Heights, MN 55120 (651) 688-8100
Dan Cavanaugh	Cavanaugh & Company P.A. Certified Public Accountant	1660 South Hwy 100, #500 St. Louis Park, MN 55416 (952) 697-3577
John Hoffman	ICS Agency, Inc. Insurance Agent	4901 West 77 th Street Minneapolis, MN 55435 (952) 835-4848
Mark C. Gibbs	HLB Tautges Redpath, Ltd. Auditor	4810 White Bear Parkway White Bear Lake, MN 55110 (651) 426-7000
Paul R. Haik	Krebsbach and Haik, Ltd Coordinator	100 South Fifth Street, #1900 Minneapolis, MN 55402 (612) 333-7400

Goals and Objectives of Plan

1. Basic Water Management Projects Petitioned by Municipalities

a. Riley Creek

In 2008, the District completed the Riley Creek Basic Water Management Project, petitioned by the City of Eden Prairie. The project will result in stabilization of lake water levels and abate persistent high water levels which were impairing recreational use. The project will also reduce discharge rates into the lower valley of Riley Creek thereby reducing stream power and erosive flows. By doing so the Board of Managers will aid the City of Eden Prairie in its planned scarp rehabilitations; scarps had formed from various storm water discharges from lower valley roadways and developments. These combined efforts are anticipated to attenuate turbidity and resulting sediment discharges into floodplain wetlands adjacent to the Minnesota River.

b. Round Lake

In 2008, the District Engineer completed evaluation of work needed to complete the Round Lake Basic Water Management Project and update estimated costs of complying with recently promulgated sediment analysis and disposal requirements. Following review of the update, the Board of Managers authorized preparation of plans and specifications and advertisement for bids. The project is expected to be complete during 2009. As part of their focus upon in-lake conditions, the Board of Managers authorized harvest of invasive and excessive plant growth within the lake, resulting in removal of more than 190 tons. The plant material, due to its high phosphorous content, was provided to the University of Minnesota Landscape Arboretum for use as a fertilizer.

2. Water Management Plan Projects

As part of updating its Water Management Plan, the Board of Managers inquired of municipal staff about their advice concerning continuance of District regulation of land use. Several municipal staff members questioned whether the municipalities should now oversee permitting within the Watershed District. The Board of Managers investigated these recommendations and concluded, given expansion of State permitting under its Clean Water Act authority and development of extensive municipal ordinances regulating land use and development, the Board of Managers could properly acknowledge these changed circumstances and reasonably rely upon State and municipal permitting. Therefore, the Board of Managers discontinued its regulatory program and commenced a non-regulatory project approach focused upon citizen led and prioritized, resource specific projects which restore or protect District water resources. This non-regulatory approach dramatically enhanced citizen participation in the Citizen Advisory Committee, and bi-annual community meetings held in May and December. Other than close out of prior permits, no regulatory activities occurred.

In order to avoid duplication with municipal efforts pursuant to the expanded Clean Water Act permitting, which are directed at external nutrient loadings, lakes experiencing significant internal loading effects were selected for water quality and related improvement projects.

The following table summarizes ratios of internal to external loadings, as reported in the current water management plan.

LAKE	AREA	EXTERNAL LOADING	INTERNAL LOADING	RATIO OF INTERNAL TO EXTERNAL LOADING
Lotus	229	60	424	7.082
Duck	41	11	38	3.445
Mitchell	112	43	136	3.146
Hyland	90	27	38	1.442
Riley	294	311	343	1.103
Round	32	26	26	1.034
Ann	110	52	46	0.889
Red Rock	71	68	48	0.706
Susan	81	59	38	0.646
Lucy	94	35	18	0.531
Rice Marsh	70	310	99	0.320
Staring	150	858	180	0.210

Current projects seek restoration and improvement of recreational and other beneficial uses and focus upon those lakes with significant internal loading effects and public beaches and access within residential areas. The Board of Managers intend over time to address each lake as financial opportunities arise. Because use attainability analyses showed significant inter-relationships between them, and due to a cooperative research project with the University of Minnesota, in part funding by the Legislative and Citizen Commission on Minnesota Resources, a single project is addressing water quality impacts associated with invasive species on Lakes Susan, Rice Marsh, and Riley.

a. Lotus Lake Outlet Analysis and Volume Control Project

The Lotus Lake Outlet Analysis and Volume Control Project arose from and is intended to continue analysis of Purgatory Creek and complement prior vegetation and use attainability analyses. Because of the lack of a hydrologic and hydraulic model encompassing the entirety of Purgatory Creek, and as part of developing a district-wide model, the Managers directed the Engineer to prepare a SWMM V model of the Lotus Lake watershed, which is the headwater of Purgatory Creek. This model will be extended downstream in its next phase in order to further complement the physical and ecological classification of Purgatory Creek previously made. Due to reported, and anticipated, reconstruction of Highway 101, the Managers judged it essential to complete the Lotus Lake watershed prior to reconstruction to allow design of an appropriate outlet to serve beneficial uses and transportation needs.

In 2008, the model was completed but calibration showed need for further investigation of groundwater seepage or other loss of water during the water cycle. The Managers have order this investigation and are awaiting report of the results in 2009.

b. Lotus Lake Water Quality Improvement Project

This project intends to directly address internal loadings. In 2008, plant harvesting and water quality investigations revealed potential public health effects of cyanobacteria and, similar to Lakes Susan, Rice Marsh, and Riley, invasive species impacts. The Engineer has proposed cooperation with the Center for Disease Control to investigate public health effects and the Managers authorized measurement of sediment oxygen demands to develop data to design a restoration and treatment strategy.

c. Fish Barrier & Invasive Species Control

This project addresses invasive species, particularly carp, to evaluate methods for better control and cost-effective management. It is expected to concretely develop and advance comprehensive response to important aspects of water pollution which the Managers can address, especially turbidity and excess nutrient loadings identified as causes for impairment of the effected waters. This project is part of a phased district-wide initiative; which will be carried over to lakes within the Purgatory Creek and Bluff Creek watersheds once developed and verified.

d. Mitchell Lake Water Quality Improvement Project

Similar to the Lotus Lake Water Quality improvement projects, the Board of Managers directed harvesting of invasive plant species and investigation of techniques to abate the adverse effects of cyanobacteria to enhance navigational and recreational use of the lake. Unlike Lotus Lake, Mitchell Lake does not appear to have a significant problem with invasive fish species. In 2008, in addition to plant harvesting, the Board of Managers investigated use of Solar Bees as a means of cyanobacteria treatment. The investigation was inconclusive and will on advice of the manufacturer be continued in 2009 for an additional year of evaluation.

e. Lake Susan Shoreline Restoration

This project focuses upon a shoreline restoration compatible with wildlife habitat needs. Though initiated anticipating partial grant funding, the project is proceeding on a cooperative basis with landowners and the Department of Natural Resources. The Natural Resources Conservation Service will be asked to contribute grant funds and the City of Chanhassen was invited to contribute a construction and conservation easement.

3. Summary of Water Quantity and Quality Monitoring Data

The Board of Managers authorized development of an integrated, comprehensive means for collecting, storing, and disseminating data concerning water resources. The Engineer completed this collection and is presently developing means for distributing and accessing data through www.rileywd.org. The Engineer further rehabilitated existing stream monitoring stations and established a new lake sampling regime based upon the trophic state index developed by the State of Indiana, which substantially expands upon the Carlson Trophic State Index previously used by the Board of Managers. The ITSI is better suited to gathering and reporting data essential to lake restoration, as opposed to general comparative analyses resulting from the Carlson Trophic State Index. Detailed report of collected data is available through the Engineer and the Annual Report of the Chief Engineer, which is incorporated by reference.

4. Local Plan Adoption and Implementation

The District approved the local water management plan of the City of Eden Prairie.

5. Annual Communication

For its annual communications, the District published articles in community newspapers and an annual communication, copies of which are incorporated by reference.

6. Solicitation of Interest Proposals

In 2007, the District again solicited professional services by publication in local news papers and special mailings. Therefore, further solicitation was deferred in 2008.

II.FINANCIAL AND AUDIT REPORTS

A.Reporting of Revenues and Expenditures

An audit report prepared by a certified public accounting firm is incorporated by reference. The audit includes a balance sheet, a classification of revenues and expenditures, an analysis of changes in final balances, and contains all additional statements considered necessary for full financial disclosure.

B.Budget Adopted for 2008

The adopted annual budgets are available through www.rileywd.org and are incorporated by reference.

III.CONCLUSION

With its second generation plan analyses complete, and a new third generation plan underway and focused restoration projects, the Board of Manager is positioned to undertake larger basic water management projects to protect and improve the water quality of the District as petitioned by municipalities and citizen led and prioritized projects identified within the current and proposed water management plans. Together these projects are an important step in assuring compliance with the requirements of the mandates of the Minnesota Pollution Control Agency, pursuant to the Federal Clean Water Act, assisting cities in their water pollution prevention plans, and giving meaning to citizen led and prioritized needs.

Respectfully submitted,

RILEY-PURGATORY-BLUFF CREEK
WATERSHED DISTRICT

By Michael Casanova
Michael Casanova
President

RILEY-PURGATORY-BLUFF
CREEK WATERSHED
DISTRICT

Annual Communication 2008

Riley Purgatory Bluff Creek Watershed District for its 2008 annual communication in order to comply with Minnesota Rules identifies the following representatives: Michael Casanova, President; Kenneth Wenzel, Vice President; Howard Peterson, Treasurer; Kristine Sundberg, Secretary; and, John Perry Forster, Manager, as the organization's board. The Managers annually appoint advisory committee members to serve on a Citizen Advisory Committee and a Technical Advisory Committee. Members of the Citizen Advisory Committee are Mary Borns, Greg Halvorson, John Bushay, Scott Maeyaert, Steve Donen, Jim Nehj, David Florenzano, John Tyler, and Rod Fisher. Members of the Technical Advisory Committee are Alan Gray, Leslie Stovring, Shelly Pederson, Scott Anderson, Lee Gustafson, Liz Stout, David Poggi, James Landini, Craig Dawson, Paul Oehme, and Terry Jeffrey. The Managers may be contacted by attending the regular meeting of the Board of Managers held at 7:00 p.m. on the first Wednesday of each month at the Eden Prairie City Hall, 6090 Mitchell Road, Eden Prairie, Minnesota; or writing to them care of the Engineer, CH2M HILL, 1235 Northland Drive, Suite 200, Mendota Heights, MN 55120; or the Coordinator, Krebsbach and Halk, Ltd., 100 South Fifth Street, Suite 1900, Minneapolis, MN 55402. Electronic messages may also be sent to the Managers through addresses provided at www.rileywd.org. The goals and policies of the Riley Purgatory Bluff Creek Watershed District are set forth in the water management plan approved and prescribed by the Board of Water and Soil Resources and adopted by the Board of Managers. The current and prior water management plans are available through www.rileywd.org. The monthly reports of the Treasurer and the annual audit of the Riley Purgatory Bluff Creek Watershed District show how the organization is financed and are available through www.rileywd.org. District funds are kept on deposit and fully collateralized as required through KleinBank, Chanhassen, Minnesota; which is designated by the Board of Managers as the official depository. Annual audits and annual activity reports are also on file with the State Auditor, the Board of Water and Soil Resources, and the Department of Natural Resources. Other information relative to the implementation of the plan is reported regularly in the official publications designated by the Board of Managers, particularly the Sun Sailor, Sun Current, Chaska Herald, Chanhassen Villager, and the Eden Prairie News. (Published in the Chaska Herald on Thursday, December 25, 2008 and January 1, 2009; No. 6996)

Affidavit of Publication Southwest Newspapers

State of Minnesota)
)SS.
County of Carver)

Laurie A. Hartmann, being duly sworn, on oath says that she is the publisher or the authorized agent of the publisher of the newspapers known as the Chaska Herald and the Chanhassen Villager and has full knowledge of the facts herein stated as follows:

(A) These newspapers have complied with the requirements constituting qualification as a legal newspaper, as provided by Minnesota Statute 331A.02, 331A.07, and other applicable laws, as amended.

(B) The printed public notice that is attached to this Affidavit and identified as No. 6496 was published on the date or dates and in the newspaper stated in the attached Notice and said Notice is hereby incorporated as part of this Affidavit. Said notice was cut from the columns of the newspaper specified. Printed below is a copy of the lower case alphabet from A to Z, both inclusive, and is hereby acknowledged as being the kind and size of type used in the composition and publication of the Notice:

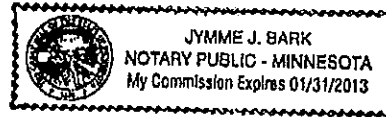
abcdefghijklmnopqrstuvwxyz

Laurie A. Hartmann
B
Laurie A. Hartmann

Subscribed and sworn before me on

this 1st day of January, 2009

Jymme J. Bark
Notary Public



RATE INFORMATION

Lowest classified rate paid by commercial users for comparable space.... \$31.20 per column inch
Maximum rate allowed by law for the above matter..... \$31.20 per column inch
Rate actually charged for the above matter..... \$12.43 per column inch

RILEY-PURGATORY-BLUFF
CREEK WATERSHED DISTRICT
Annual Communication 2008

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Affidavit of Publication Southwest Newspapers

State of Minnesota)
)SS.
County of Hennepin)

Laurie A. Hartmann, being duly sworn, on oath says that she is the authorized agent of the publisher of the newspaper known as the Eden Prairie News and has full knowledge of the facts herein stated as follows:

(A) This newspaper has complied with the requirements constituting qualification as a legal newspaper, as provided by Minnesota Statute 331A.02, 331A.07, and other applicable laws, as amended.

(B) The printed public notice that is attached to this Affidavit and identified as No. 3728 was published on the date or dates and in the newspaper stated in the attached Notice and said Notice is hereby incorporated as part of this Affidavit. Said notice was cut from the columns of the newspaper specified. Printed below is a copy of the lower case alphabet from A to Z, both inclusive, and is hereby acknowledged as being the kind and size of type used in the composition and publication of the Notice:

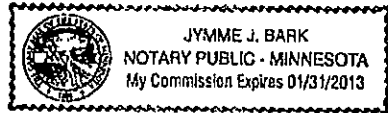
abcdefghijklmnopqrstuvwxyz

By Laurie A. Hartmann
Laurie A. Hartmann

Subscribed and sworn before me on

this 1st day of January, 2009

Jymme J. Bark
Notary Public



RATE INFORMATION

Lowest classified rate paid by commercial users for comparable space... \$31.20 per column inch
Maximum rate allowed by law for the above matter..... \$31.20 per column inch
Rate actually charged for the above matter..... \$12.43 per column inch

SIEN

newspapers

AFFIDAVIT OF PUBLICATION

Riley Purgatory Bluff Creek Watershed

(Official Publication)
RILEY-PURGATORY-BLUFF CREEK WATERSHED DISTRICT
 Annual Communication 2008

Riley Purgatory Bluff Creek Watershed District for its 2008 annual communication in order to comply with Minnesota Rules identifies the following representatives: Michael Casanova, President; Kenneth Wenzel, Vice President; Howard Peterson, Treasurer; Kristine Sundberg, Secretary; and John Perry Forster, Manager, as the organization's board. The Managers annually appoint advisory committee members to serve on a Citizen Advisory Committee and a Technical Advisory Committee. Members of the Citizen Advisory Committee are Mary Burns, Greg Halvorson, John Bushey, Scott Maayaari, Steve Donen, Jim Nehl, David Florenzano, John Tyler, and Rod Fisher. Members of the Technical Advisory Committee are Alan Gray, Leslie Stovring, Shelly Pederson, Scott Anderson, Lee Gustafson, Liz Stout, David Poggi, James Landini, Craig Dawson, Paul Oehma, and Terry Jeffrey. The Managers may be contacted by attending the regular meeting of the Board of Managers held at 7:00 p.m. on the first Wednesday of each month at the Eden Prairie City Hall, 8080 Mitchell Road, Eden Prairie, Minnesota; or writing to them care of the Engineer, CH2M HILL, 1295 Northland Drive, Suite 200, Mendota Heights, MN 55120; or the Coordinator, Krebsbach and Haik, Ltd., 100 South Fifth Street, Suite 1900, Minneapolis, MN 55402. Electronic messages may also be sent to the Managers through addresses provided at www.rileywd.org. The goals and policies of the Riley Purgatory Bluff Creek Watershed District are set forth in the water management plan approved and prescribed by the Board of Water and Soil Resources and adopted by the Board of Managers. The current and prior water management plans are available through www.rileywd.org. The monthly reports of the Treasurer and the annual audit of the Riley Purgatory Bluff Creek Watershed District show how the organization is financed and are available through www.rileywd.org. District funds are kept on deposit and fully collateralized as required through KleinBank, Chanhassen, Minnesota; which is designated by the Board of Managers as the official depository. Annual audits and annual activity reports are also on file with the State Auditor, the Board of Water and Soil Resources, and the Department of Natural Resources. Other information relative to the implementation of the plan is reported regularly in the official publications designated by the Board of Managers, particularly the Sun Sailor, Sun Current, Chaska Herald, Chanhassen Villager, and the Eden Prairie News.

(Dec. 25, 2008 & Jan. 1, 2009)a1.n4-5,d3,d4-Ann Comm

STATE OF MINNESOTA)
) ss.
 COUNTY OF HENNEPIN)

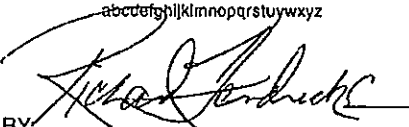
Richard Hendrickson, being duly sworn on an oath, states or affirms that he is the Chief Financial Officer of the newspaper(s) known as

- Excelsior, Shorewood Sun-Sailor
- Minnetonka, Hopkins Sun-Sailor
- Bloomington Sun-Current
- Eden Prairie Sun-Current

and has full knowledge of the facts stated below:

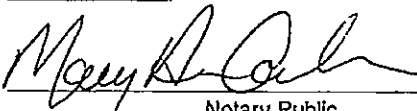
- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02, §331A.07, and other applicable laws as amended.
- (B) The printed public notice that is attached was published in said newspaper(s) once each week, for two successive week(s); it was first published on Thursday, the 25 day of December, 2008, and was thereafter printed and published on every Thursday to and including Thursday, the 1 day of January, 2009; and printed below is a copy of the lower case alphabet from A to Z, both inclusive, which is hereby acknowledged as being the size and kind of type used in the composition and publication of the notice:

abcdefghijklmnopqrstuvwxyz

BY: 

CFO

Subscribed and sworn to or affirmed before me on this 1 day of January, 2009.


 Notary Public

