

Buffalo Creek Watershed Ditch Authority

Re: Renville County Judicial Ditch No. 15  
Improvement Benefits – Branches 56, 37, 61, 62 and 64

June 19, 2025

In accordance with the Minnesota Statute 103E.321, we herewith submit the following viewer' report:

Benefits and Damages Statement

This report covers the determination of benefits for the improvement of a previously constructed drainage system. The basis for determining benefits and damages is, therefore, based upon a comparison of the condition which would exist with the existing drainage system in a reasonable state of repair with the conditions which will exist upon the completion of the improvement project.

Renville Judicial Ditch No. 15 drains approximately 60,000 acres. The proposed improvement is located in Melville Township. Branches 56, 37, 61, 62 and 64 will be replaced. These Branches drain parts of Sections 25, 26, 35, and 36.

The field observations for the watershed and land classifications were done in December of 2024. We made an on-site inspection of each 40 acre or smaller parcel. There are approximately 470 acres benefited within this watershed.

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 manual and maps of Renville County
2. FSA aerial photos
3. Topographical LIDAR maps
4. Yield averages and production costs taken from the Farm Business Management Reports
5. Visual inspection of each 40 acre parcel
6. Original maps and profiles
7. Sales data from the Renville County Assessor's Office
8. Information from ISG Engineering

Land classification benefit values are based upon an increase in the potential for agricultural production as a result of constructing the drainage project and reconciled with sales value increases. Existing individual land management practices were not considered. All present land use was evaluated under estimated best land management practice. Consideration was given to areas which were determined to be in a native/non-converted condition.

Beginning land use, property value, and economic productivity was developed utilizing an average production unit (100) consisting of 40% corn, 40% beans, and 20% sugar beets before the drainage system construction, but with current values considered.

### Valuation Prior To Drainage

Beginning land use, property value, and agricultural economic productivity have been determined with the consideration that the benefited properties within the watershed originally did not have an adequate outlet for artificial drainage.

- "A" Standing water or cattails-wetland classification with a market value for agricultural purposes of \$0.00 per acre and ag economic productivity of \$0.00
- "B" Seasonally flooded- pasture classification with a market value of \$4,000 to \$5,000 per acre and ag economic productivity of \$70 based on grazing days and/or hay values.
- "C" Wet subsoil- Marginal crop land of medium crop land classification, with a market value of \$7,000 to \$8,000 per acre and net income of \$168.67 per acre with annual ag economic productivity of \$528.96 (average yield of 95% of optimum) and \$360.29 per acre production costs.
- "D" Upland areas not needing artificial drainage, but irregular in shape and intermixed with wetter soils. These areas are medium to high crop land classification with a market value of \$6,000 to \$7,000 per acre and net income of \$267.85 per acre with annual ag economic productivity of \$628.14 (average yield of 95% of optimum) and \$360.29 per acre production costs.

### Valuation with NRCS Recommended Drainage

After public and private drainage have been installed following NRCS design standards, and using current crop rotation income, and expenses, the land classifications have been modified as follows:

- "A" Drained slough area-Medium land classification with a market value of \$6,000 to \$7,000 per acre and net income \$234.79 per acre with annual ag productivity of \$595.08 (average yield of 90% of optimum) and \$360.29 per acre production costs.
- "B" Well drained ground, high land classification with a market value of \$8,000 to \$9,000 per acre and net income of \$267.85 per acre with annual ag economic productivity of \$628.14 (average yield of 95% of optimum) and \$360.29 per acre production costs.
- "C" Well drained ground, highest land classification with a market value of \$10,000 to \$11,000 per acre and net income of \$294.30 per acre with annual ag economic productivity of \$654.59 (average yield of 99% of optimum) and \$360.29 per acre production costs.
- "D" Well drained ground, high land classification with improved farmability and a market value of \$9,000 to \$10,000 per acre and net income of \$300.91 per acre with annual ag economic productivity of \$661.20 (average yield of 100% of optimum) and \$360.29 per acre production costs.

Some acres were assigned a land classification of "D-". These acres represented building sites. Benefits for lands used for industrial agricultural purposes, such as large bin sites or hog production facilities, have been determined with consideration of the drainage system providing an outlet for the accelerated runoff and for the different land use.

Utilizing these agricultural economic productivity values, potential benefits values were determined for the system based upon a 25 year effective life with proper maintenance. Private improvement costs were depreciated over the same 25 year period, and a 2.5% return on the system investment was used.

### Increased Productivity Evaluation

	OPTIMUM	COMMODITY	POTENTIAL	ROTATION	ADJUSTED
<u>CROP</u>	<u>YIELD</u>	<u>VALUE</u>	<u>INCOME</u>	<u>ADJUSTMENT</u>	<u>INCOME</u>
Corn	200	\$3.75	\$750.00	40%	\$300.00
Beans	55	\$9.00	\$495.00	40%	\$198.00
Sugar Beets	24	\$34.00	\$816.00	20%	<u>\$163.20</u>
					<b>\$661.20</b>

#### EXPENSES

Corn	\$412.00 X 40% = \$164.80
Soybeans	\$202.91 X 40% = \$ 81.16
Sugar Beets	\$571.65 X 20% =

**TOTAL \$360.29**

**NET INCOME \$661.20 - \$360.29 = \$300.91**

### Benefit Determination

	<u>"A"</u>	<u>"B"</u>	<u>"C"</u>	<u>"D"</u>
Crop Income	90% of \$661.20 = \$595.08	95% of \$661.20 = \$628.14	99% of \$661.20 = \$654.59	100% of \$661.20 = \$661.20
Production Cost	<u>\$360.29</u>	<u>\$360.29</u>	<u>\$360.29</u>	<u>\$360.29</u>
Net Income	\$234.79	\$267.85	\$294.30	\$300.91
Previous Income	<u>-\$ 0.00</u>	<u>\$ 70.00</u>	<u>\$168.67</u>	<u>-\$267.85</u>
Increased Income	\$234.79	\$197.85	\$125.63	\$ 33.06
Private Improvement				
Tile	<u>-\$44.00</u>	<u>-\$ 33.00</u>	<u>-\$ 26.00</u>	<u>-\$ 0.00</u>
<b>Annual Increase</b>	<b>\$190.79</b>	<b>\$164.85</b>	<b>\$ 99.63</b>	<b>\$33.06</b>
Capitalized for				
25 years at 2.5%	X 18.4244	X 18.4244	X 18.4244	X 18.4244
<b>Benefit Value</b>	<b>\$3315.19</b>	<b>\$3037.26</b>	<b>\$1835.62</b>	<b>\$ 609.11</b>
<b>Rounded to:</b>	<b>\$3515.00</b>	<b>\$3040.00</b>	<b>\$1835.00</b>	<b>\$ 610.00</b>

The drainage system as originally constructed does not meet the BCWD allowable drainage coefficient for agricultural drainage. Considering the impacts of this restrictive capacity, an efficiency rate has been applied. This rate reflects the viewers' determination of the amount of the potential benefit currently being provided by the tile portion of Branches 56, 37, 61, 62, and 64 with consideration of the substandard size capacity.

A hydraulic efficiency factor was applied to the open ditch. The proximity rate applied to each benefited parcel in this report discounts the potential benefits received as a parcel's distance increases from the county ditch. This allows for the construction of the public or private laterals required to improve the parcel's drainage to the recommended NRCS standard.

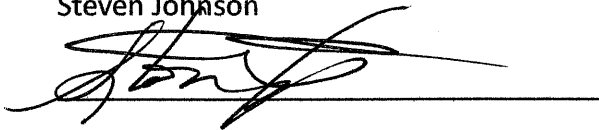
The viewers' report of acres benefited indicates the amount of each type of soil classification ('A'; 'B'; 'C'; 'D'; 'D-'; Ind) and the value for each type based on potential increased agricultural production. The proximity factor and efficiency factor are applied to arrive at the net benefits.

The WASCOD water and sediment control basins were recognized and the benefits for these parcels where the ponds are to be were decreased.

Temporary damages have been awarded for the construction right of way for the improvement.

This report is respectfully submitted to the Buffalo Creek Watershed Drainage Authority by:

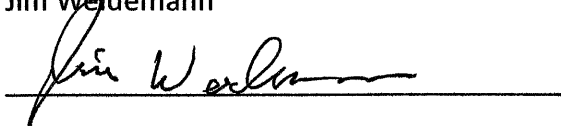
Steven Johnson

A handwritten signature in black ink, appearing to read "Steve Johnson", written over a horizontal line.

Dave Schmidt

A handwritten signature in black ink, appearing to read "David Schmidt", written over a horizontal line.

Jim Weidemann

A handwritten signature in black ink, appearing to read "Jim Weidemann", written over a horizontal line.