Meeting Minutes
Vermillion River Watershed Joint Powers Board Meeting
May 25, 2017, 1:00 p.m.
Dakota County Western Service Center, Apple Valley, Conference Room 334

Board Members in Attendance
Dakota County Commissioner Mike Slavik, Chair
Scott County Commissioner Tom Wolf, Vice-Chair
Dakota County Commissioner Mary Liz Holberg, Secretary/Treasurer

Others in Attendance
Travis Thiel, VRWJPO Watershed Specialist
Helen Brosnahan, Dakota County Attorney’s Office
Mark Ryan, VRWJPO Watershed Engineer
Paula Liepold, VRWJPO Water Resources Educator
Jen Dullum, VRWJPO Education and Outreach Specialist
Brian Watson, Dakota County Soil and Water Conservation District (SWCD)

1. Call to Order
Meeting was called to order by the Board Chair at 1:05 p.m. All Board members were in attendance.

2. Audience Comments on Items Not on the Agenda
There were no comments from the audience. Travis Thiel introduced Jen Dullum, the new employee for the VRWJPO who will be serving as a full-time education and outreach specialist to fill and add to the position vacated by Kathy Carlson. Jen provided a brief introduction describing her interests and some of her duties over the last 14 years at the City of Farmington.

3. Approval of Agenda
Motion by Commissioner Holberg, Second by Commissioner Wolf, and passed on a unanimous vote to approve the agenda for the May 25, 2017 meeting.

4. Approval of Minutes from the March 23, 2017, Meeting
Motion by Commissioner Holberg, Second by Commissioner Wolf, and passed on a unanimous vote to approve the minutes of the March 23, 2017, meeting, as presented on May 25, 2017.

5. Approval of Expenses
Travis Thiel described the expenses that were not routine monthly items. The $12,500 invoice from Freshwater Society is for production of a white paper on impacts to water resources from aggregate mining. The Minnesota Department of Natural Resources (MN DNR) invoice for $1,000 is for stream geomorphology training for Mark
Ryan in June. The United States Department of the Interior/United States Geologic Survey (USGS) invoice for $8,400 is for the VRWJPO contribution to the maintenance of the Vermillion River stream gage. The $4,685 total in invoices for Wenck includes final costs for 2016 fish monitoring and the consultant’s work on the South Creek/Blair property stream restoration project. Another $4,434.78 in expenses from February that were not included in the March expense report were also included in the request for approval, with $2,674 of that also coming from Wenck for fish survey work. All other listed expenses were routine monthly expenses.

Res. No. VRW 17-24: Motion by Commissioner Wolf, Second by Commissioner Holberg, and passed on a 3-0 roll call vote to approve the expenses totaling $159,253.28 that occurred between March 16th and May 17th, 2017, and $4,434.78 that occurred in February, as submitted on May 25, 2017.

6. Acceptance of Treasurer’s Report
Travis Thiel provided an overview of the Treasurer’s Report and noted that the budget carryover from 2016 was $337,938.

Res. No. VRW 17-25: Motion by Commissioner Wolf, Second by Commissioner Holberg, and passed on a 3-0 roll call vote to accept the Treasurer’s Report as presented on May 25, 2017.

7. Business Items

7a. Approval of proposed amendments to the Vermillion River Watershed Joint Powers Organization (VRWJPO) 2017 Budget
Travis Thiel explained the revised 2017 VRWJPO budget and provided detail on the specific line items that changed since the original 2017 budget. Among these items were: adjusting the fund balance from under-spending in 2016 and documenting this in the revenue portion, reflecting increases or decreases in some expenses relative to the original estimates, accounting for grant funding additions, and separating out grant-funded capital improvement projects (CIP) into unique budget categories.

Res. No. VRW 17-26: Motion by Commissioner Holberg, Second by Commissioner Wolf, and passed on a unanimous vote to approve the proposed amendments to the Vermillion River Watershed Joint Powers Organization (VRWJPO) 2017 Budget.

WHEREAS, at its meeting on December 12, 2016, the VRWJPB adopted the final VRWJPO 2017 Budget (Resolution No. VRW 16-54), including expenses totaling $2,933,200, total revenue of $2,995,200, and an expected cash reserve of $62,000; and

WHEREAS, budget amendments are being proposed to adjust the fund balance from under-spending and transfer of 2016 appropriations to 2017, reflect adjusted expenses, and account for new grants received; and

WHEREAS, the proposed budget amendments are in the following budget categories and lines: Monitoring and Data Analysis (line 5b); Capital Improvement Projects (lines 5, 7, 8, 11, 12, 13, 14, and 15); CWF Grant (BWSR) Alimagnet Lake (lines 1 and 2); CWF Grant (BWSR) Phosphorus Treatment Cty Rd 50 (lines 1 and 2); CWF Grant (BWSR) South Branch Nitrate Treatment (lines 1 and 2); CWF Grant (BWSR) Lakeville Hydrodynamic Separator (lines 1 and 2); CWF Grant (BWSR) South Creek Temperature Reduction (lines 1 and 2); and

WHEREAS, the budget amendments would bring the total expenses in 2017 to $3,991,250, the total revenue to $4,110,088, and a cash reserve of $118,838; and

NOW, THEREFORE, BE IT RESOLVED, that the VRWJPB approves the proposed amendments to the VRWJPO 2017 Budget as presented at its meeting on May 25, 2017.
7b. Authorization to amend the Joint Powers Agreement with the City of Farmington for the Rambling River Park Bank Stabilization and Habitat Restoration Project

Travis Thiel presented the proposed amendment to the existing Joint Powers Agreement (JPA). VRWJPO staff is proposing the amendment to allow for the VRWJPO to bid and contract with a contractor to complete the stream restoration project in Rambling River Park and the replacement of a portion of the City of Farmington’s bituminous trail in the park. Previously, the JPA stated that the City of Farmington would perform the bidding for the project, but the contract would be held by the VRWJPO. It was decided during design and preparation of bidding documents that it was better for the VRWJPO to bid and hold the contract. Also included in the amendment is allowing for a portion of the trail in the Park that will be damaged during the construction process to be reconstructed under the stream restoration contract. Under the agreement, the City of Farmington will pay for the trail replacement by reimbursing the VRWJPO for invoices paid to the contractor related to the trail. Some discussion occurred on this topic after Commissioner Holberg asked whether the VRWJPO has done this before. Staff indicated that the VRWJPO has not specifically provided the contract for work tasks to be paid by others but that it is common in Dakota County. Commissioner Slavik used a recent mill and overlay project in Castle Rock Township as an example where Dakota County contracted with a contractor to rehabilitate County roads and township roads with Castle Rock Township reimbursing the County for the work completed on township roads.

Res. No. 17-27: Motion by Commissioner Wolf, Second by Commissioner Holberg, and passed on a unanimous vote to amend the Joint Powers Agreement with the City of Farmington for the Rambling River Park Bank Stabilization and Habitat Restoration Project.

WHEREAS, the Vermillion River Watershed Joint Powers Organization (VRWJPO) has been working with the City of Farmington to stabilize streambanks and restore in-stream habitat within a portion of Rambling River Park; and

WHEREAS, on June 23, 2016, the Vermillion River Watershed Joint Powers Board (VRWJPB) authorized the execution of a Joint Powers Agreement with the City of Farmington for the Rambling River Park Bank Stabilization and Habitat Restoration Project (Resolution No. VRW 16-34); and

WHEREAS, the City was originally identified as the responsible party to bid the project; and

WHEREAS, based on recent discussions between the VRWJPO, City of Farmington staff, and Dakota County Contracts staff, it was determined that it would be in the VRWJPO’s and City’s best interests if the VRWJPO bid the project because VRWJPO staff developed the engineering design and prepared the bid documents; and

WHEREAS, the VRWJPO’s engineering design and bid documents will include the reconstruction of a portion of the trail within Rambling River Park as the trail will be damaged in the process of the bank stabilization and habitat restoration project; and

WHEREAS, the City has agreed to oversee and administer the trail reconstruction, and reimburse the VRWJPO for its cost up to an amount not to exceed the engineer’s estimate of $29,388.

NOW, THEREFORE, BE IT RESOLVED, that the VRWJPB authorizes the chair to amend the Joint Powers Agreement with the City of Farmington for the Rambling River Park Bank Stabilization and Habitat Restoration Project in order to clarify each party’s responsibilities and allow for City reimbursement to the VRWJPO for the cost of trail reconstruction; subject to the approval of the Dakota County Attorney’s Office as to form.

7c. Authorization to submit 2016 VRWJPO Annual Activity Report and Financial Statement to the Minnesota Board of Water and Soil Resources

Jen Dullum provided a brief summary of the status of the draft 2016 VRWJPO Annual Activity Report and Financial Statement and acknowledged that some changes to the document have been made since an earlier draft was provided in the meeting packet. Due to the next board meeting being after the required submittal date to the
Minnesota Board of Water and Soil Resources (BWSR), staff had to request this authorization while the draft report is being finished. Commissioner Slavik noted that some of the home communities for the Watershed Planning Commission (WPC) members should be changed, and no other comments were made by the Commissioners.

Res. No. 17-28: Motion by Commissioner Wolf, Second by Commissioner Holberg, and passed on a unanimous vote to authorize submittal of the 2016 VRWJPO Annual Activity Report and Financial Statement to the Minnesota Board of Water and Soil Resources

WHEREAS, Minnesota Rule 8410.0150 requires watershed management organizations to submit an annual activity report financial statement and annual audit to the BWSR within 120 days following the end of the watershed management organization’s fiscal year; and

WHEREAS, due to staffing changes, the VRWJPO requested an extension for submission from BWSR, and an extension was granted until June 15, 2017; and

WHEREAS, the VRWJPO staff is preparing the 2016 Annual Activity Report and Financial Statement in compliance with Minnesota Rule 8410.0150 for review; and

WHEREAS, due to this timeframe, the Vermillion River Watershed Planning Commission (WPC) and Vermillion River Watershed Joint Powers Board (VRWJPB) will only be able to review and submit comments on the draft of the report; and

WHEREAS, the Audit Report will be sent to BWSR when made available to the VRWJPO.

NOW, THEREFORE, BE IT RESOLVED, that the VRWJPB authorizes staff to submit the final 2016 Annual Activity Report and Financial Statement to the BWSR on or before June 15, 2017.

7d. Update and presentation on the VRWJPO local standards evaluation program

Mark Ryan provided a status update on the scope and schedule for the rollout of the local standards evaluation program. Under this program, VRWJPO staff will review the application of local controls for all cities and townships in the watershed that have retained permitting authority to ensure that VRWJPO Standards are being met or exceeded. To date, work on the program has included outreach to communities about the best contact persons for the program, development of an evaluation framework document, and a meeting to receive valuable feedback from member cities and townships in April. After receiving input from the communities, VRWJPO staff will focus on an annual meeting with each community as an opportunity for cooperation and communication about the spot-check review of local permits that the VRWJPO wishes to perform.

Commissioner Holberg requested that presentations, like the one provided on the standards evaluation, be included in future meeting agenda packets. Commissioners Slavik and Holberg inquired whether more resources could be allocated to certain communities with less staff during this review process. Staff responded that this initial standards evaluation will set the baseline of performance for each community and may provide a basis for allocation of more resources to specific communities in the future. Commissioner Slavik reiterated the importance of tailoring questions and the review approach to the different communities. Staff indicated that the questions will all be the same, but the approach will be adjusted to accommodate staffing levels and knowledge of water resources depending on the local community contact. The Commissioners requested that VRWJPO staff let them know when annual meetings are set with the local communities in their districts so that they are aware for potential follow-up questions.

This item was an informational item only.
7e. Update and presentation by Dakota County Soil and Water Conservation District (SWCD) on changes to cost-share policies

Brian Watson provided a summary of the cost-share programs that the Dakota SWCD provides for projects, including those in the Vermillion River Watershed. Opportunities include six programs for projects of varying size and for various types of partners. More recently, the Dakota SWCD has designated priority locations for their work and taken an approach to complete larger assessments and rank the resulting projects by their potential pollutant reductions. This ensures that the projects are prioritized and targeted in a similar manner to metrics used by State agencies for grant funding. Furthermore, the SWCD, through its Board, has increased the cost-contribution for projects that are highly ranked. Those projects identified to reduce pollutants at a cost of $10 per ton (of sediment reduced in this example) are eligible for up to 90% cost-share funding while others are only eligible for 75% cost-share.

This item was an informational item only.

8. Staff Reports
   a. Paula Liepold asked for input from the Commissioners on the potential for a watershed tour this year. Commissioner Holberg indicated that many attendees seem to be aware of the projects and would like to see the invite targeted at more City Council members and others who may not be aware of the project work. Commissioner Wolf indicated that the event seems costly with the previous set up and thought that an afternoon tour could reduce cost and provide a better time for attendees than Friday morning. All Commissioners reiterated that it is important to do the tour but that a frequency of every other year is best. Odd years are proposed to avoid election years for the Commissioners. A tentative date and time of Thursday, September 21, from 2-5 pm was agreed on for 2017.
   b. Mark Ryan updated the VRWJPB on recent project developments. Proposals were received by the Minnesota Zoo for the stormwater reuse system at the Tropics building to be funded by grants and VRWJPO dollars. Only one proposal for design build services was received for the project, and the projected total cost for construction included with the design fee cost was above the project budget. The Minnesota Zoo is working with the team of contractors and consultants who proposed on the project about reductions of scope and/or service fees before considering a contract. Earlier in May, Mark Ryan and Travis Thiel attended the pre-construction meeting for the County Road 78 project that also includes the South Branch nitrate treatment system. The contractor intends to start the treatment portion of the project in late July or early August, and Dakota County Transportation staff asked that the VRWJPO lay out its expectations for the contractor regarding construction of the treatment practices.
   c. Travis Thiel asked the Commissioners for input on the need for a strategic planning session and what should be accomplished at that time. Commissioners Wolf and Slavik agreed that a strategic discussion could be held immediately after an upcoming Board meeting rather than having a separate meeting. Commissioner Slavik indicated that the two reasons that he wanted the session were the local standards evaluation and a budget discussion, with the first one being mostly satisfied by item 7d on today’s agenda. The budget discussion should include an evaluation of the work being done at current funding levels and what happens to the performance of the VRWJPO with increases and decreases in funding.
   d. Travis Thiel provided a brief update that the two stream restoration projects in Farmington (Rambling River Park and South Creek/Blair Property) are currently out for bid.
Adjourn

Motion by Commissioner Wolf, Second by Commissioner Holberg, and passed on a unanimous voice vote to adjourn the meeting at 2:29 p.m.

Next Meeting Date: June 22, 2017 – Western Service Center, Room 334 at 1:00 p.m.

Respectfully submitted:
Mark Ryan
Vermillion River Watershed Joint Powers Organization

Mark Zabel
Administrator for the Vermillion River Watershed Joint Powers Organization

Attest

[Signature]
Commissioner Mary Liz Holberg
Secretary/Treasurer

[Signature]
Date
6-22-17