Meeting Minutes

Vermillion River Watershed Joint Powers Board Meeting
June 28, 2018, 1 p.m.
Dakota County Western Service Center, Apple Valley, Conference Room 334

Board Members in Attendance
Dakota County Commissioner Mike Slavik, Chair
Dakota County Commissioner Tom Wolf, Vice-Chair

Others in Attendance
Mark Zabel, Watershed Administrator
Melissa Bokman, Watershed Co-administrator
Helen Brosnahan, County Attorney
Paula Liepold, VRWJPO Water Resources Educator
Mark Ryan, VRWJPO Watershed Engineer
Bruce Johnson, Dakota County Soil and Water Conservation District Supervisor
Brian Watson, Dakota County Soil and Water Conservation District
Dawn Pape, Lawn Chair Gardener Creative Services

1. **Call to Order**
Meeting was called to order by Commissioner Slavik at 1:02 p.m. Commissioners Slavik and Wolf were in attendance.

2. **Audience Comments on Items Not on the Agenda**
There were no comments from the audience.

3. **Approval of Consent Agenda**
Item 3e: It was noted that the Westview Acres/Downtown Plaza Stormwater Feasibility Study will be started this year so the feasibility study has been removed from the 1W1P projects table. The estimated grant amount did not change. Commissioner Slavik recommended a project synopsis for each project in the prioritized project list.

*Res. No. VRW 18-27: Motion by Commissioner Wolf, Second by Commissioner Slavik, and passed on a unanimous vote to approve the consent agenda.*

4. **Approval of Expenses**
Mark Zabel went over the current invoices. Dakota County staff time, Scott County Soil and Water Conservation District, and the two invoices from Dakota County Soil and Water Conservation District are all routine expenses under Joint Powers Agreements. MNDNR Training is for Mark Ryan’s attendance at the Stream Restoration Training put on by the DNR. 144 Design is for monthly website maintenance. Friends of the Mississippi is the first invoice from their contract for the Vermillion Stewards program. The PCard is to maintain our website domain name. The Amazon payments are for supplies for the tree plantings led by Master Water Stewards and the Conservation Corps of Minnesota and Iowa. Freshwater Society is for the current Master Water Stewards. Scott County is the routine monthly payment. Dakota County Environmental Resources is for the wetland bank. The payment to Cross Nursery is for trees and shrubs for the recent plantings. Carp Solutions is for the carp study on East Lake. PAAP is for drone service for the video of the South Creek Stream Habitat Restoration project in Farmington. MNDNR is for stream gauge monitoring. The VRW per diem was paid to the Watershed Planning Commission members.

Res. No. VRW 18-28: Motion by Commissioner Wolf, Second by Commissioner Slavik, and passed on a 2-0 roll call vote to approve the expenses totaling $648,295.61 that occurred between April 18, 2018, and June 19, 2018, as submitted on June 28, 2018.

5. Business Items

5a. Presentation of Draft Wetland Bank Policy
The Vermillion River Watershed Joint Powers Organization (VRWJPO) is in the process of establishing a wetland bank with the intent of selling credits within that wetland bank, therefore, we need to establish a wetland bank policy. Mark Zabel presented the draft policy. The drafted policy does three things; establishes a requirement, sets price, and identifies that fees that are recouped from the sale of credits will be used for the development of future wetland banks. The draft policy requires replacement credits to occur within the Vermillion River Watershed for wetland impacts occurring in the Vermillion River Watershed as long as there are wetland bank replacement credits available from a wetland bank within the Watershed. To establish a policy on wetland credit pricing, the VRWJPO needs to be transparent, fair and equitable. When credits are being sold to replace wetland impacts which occurred within the Vermillion River Watershed the price shall be set at 4.5 times the estimated average market value for class 2A agricultural lands graded A, B, or C in Dakota County up to a maximum of $37,000 per credit. Mark went through how prices are established using a table from the Dakota County Assessor’s Office. Mark Zabel explained that our minimum price at which credits will be sold for replacement of wetland impacts will be the sum of the cost to produce the wetland bank credits plus all fees associated with the wetland bank plus $500 on a per acre (credit) basis. The draft wetland bank policy has been presented to the Watershed Planning Commission (WPC) and the Technical Advisory Group (TAG) and both are in agreement with the draft policy. Mark expects to finalize the draft and bring to the next WPC and Vermillion River Watershed Joint Powers Board (VWRJPB) meetings for approval.

Commissioner Slavik commented that this sounds like what we talked about at the last meeting. He thought there may be some pushback regarding purchasing credits in the watershed and wants to make sure we are not losing money. Mark Zabel believes there are development areas that will take advantage of the credits. Commissioner Slavik hopes to be competitive.

6. Staff Reports
Brian Watson continues to work on the wetland bank in Castle Rock Township. There are three planning stages; scoping, preliminary design, and final design. They are still in preliminary design.
Paula Liepold gave an update on the Community-Based Social Marketing workshop that she and Jen Dullum attended. Lessons learned from this in-depth training will be implemented in community education and outreach going forward.

Mark Ryan talked about the Standards and Ordinance Workshop he led on June 18. In general, there was good conversation and the outreach was appreciated. Nine township and building inspectors attended. The standards update, which would lead to ordinance updates brought about the most discussion. The primary change to the standards that affects local permitting is the threshold for a permit from one acre of disturbance to 5,000 square feet where you start looking at water resource concerns. There was assurance that this was not entirely a closed discussion for more conversation before a local ordinance has to be adopted this fall. Commissioner Slavik brought up the misinformation that has been surfacing that agricultural buildings, even those that are one acre or more, have been exempt from permitting. With the exception of Empire and Eureka, it is believed that every other township thinks agricultural buildings are exempt. Commissioner Slavik would like to see this topic as one of next month’s business items. Mark Zabel questioned if, under State Rule, agricultural buildings are exempt from building permits. Brian Watson said he has had this come up and cannot get a straight answer from the Minnesota Pollution Control Agency, which was a while back and not in relation to the VRWJPO. Mark Zabel noted that earth moving, even without a building, needs to stabilized, for the water resource protection. An information item on this topic will be provided for the Watershed Planning Commission and the Joint Powers Board for their July meetings.

Mark Zabel informed the Commissioners of some related wetland news. The MN Board of Water and Soil (BWSR) is the lead agency with oversight on the Wetland Conservation Act in the State. All wetlands impacted need to meet the Wetland Conservation Act (WCA) requirements. BWSR has been moving forward on an agreement with the Army Corps of Engineers (Corps) with an in-lieu fee program, which is analogous to a park dedication, where you pay into the program and BWSR will do a wetland replacement somewhere in the State using funds from fees. This is being developed in Bank Service Area 6. The plan is to, at some point, expand the program State-wide. BWSR looks to apply approved high-priority wetland areas (HPAs) to include in the program. Mark is thinking about putting in a request or recommendation for high-priority areas for wetland replacement within the Vermillion River Watershed. This may come before this Board for approval at some point in the near future. Brian Watson sits on a 12-member technical advisory committee at the state level and the St. Croix area is a test area for this in-lieu of financing pilot. BWSR thinks this is a good way to go. Brian thinks it will be good to be up in front when this program gets running. In order for the State to assume Federal programming, the State will have to assume permitting, which is why the State is trying to do more in-lieu of financing and partnering on wetland banks because they need to be the decision maker, not the local unit of government.

Mark Ryan gave a project update. The Lakeville City Outlot land swap, Buddy’s Kitchen, has gone through City Council. We are working with the City to do concept level design this summer and will submit a Conservation Partners Legacy grant. Work could include a potential meander and habitat restoration. The majority of the Golden Pond Project is complete. The stream has been diverted around the pond and should result in a 10⁰ temperature reduction at low flow. The channel has not been turned on. Once the vegetation comes up, the channel will be turned on this fall. Some cleanup from the recent rains is necessary.

Mark Zabel said that the budget document will be presented in July.

Commissioner Slavik appreciates the consent agenda.
Adjourn

Motion by Commissioner Wolf, Second by Commissioner Slavik, and passed on a unanimous voice vote to adjourn the meeting at 1:40 p.m.

Next Meeting Date: July 26, 2018 – Western Service Center, Room 334 at 1 p.m.

Respectfully submitted:
Jen Dullum
Vermillion River Watershed Joint Powers Organization

Mark Zabel
Administrator for the Vermillion River Watershed Joint Powers Organization

Attest

[Signature]
Commissioner Mary Liz Holberg

[Signature]
Secretary/ Treasurer

7.26.18
Date