



Agenda

Vermillion River Watershed Planning Commission

March 10, 2021 – 4:00 p.m., Teleconference via Zoom

1. Call to Order
2. Roll Call
3. Audience Comments on Items Not on the Agenda
(*please limit audience comments to five minutes*)
4. Approval of Agenda Action
5. Approval of Minutes from the February 10, 2021 Meeting Action
6. Business Items
 - a. Recommendation to Execute a Grant Agreement with the Minnesota Board of Water and Soil Resources for Fiscal Year 2021 Watershed-Based Initiative Funding Action
 - b. Recommendation to Adopt Modifications to the VRWJPO Permit Program Fee and Security Schedule Action
7. Updates
 - a. Chairperson's Report
 - b. Staff Updates
8. Adjourn Action

Please note, the March 10 Planning Commission meeting will take place **via teleconference by phone and/or the web-based application, Zoom**. In response to COVID-19, no in-person meeting will be available. We are following provisions in Minnesota Open Meeting Law addressing meetings in the case of pandemic.

Join Zoom Meeting

<https://dakotacountymn.zoom.us/j/95501885387?pwd=WVIVNHpmdlBNdmFRRVJsRTFscGJuZz09>

Meeting ID: 955 0188 5387

Passcode: 187217

One tap mobile

+16513728299,,95501885387#,,,,*187217# US (Minnesota)

Dial by your location

+1 651 372 8299 US (Minnesota)

Meeting ID: 955 0188 5387

Passcode: 187217

Find your local number: <https://dakotacountymn.zoom.us/j/95501885387?pwd=WVIVNHpmdlBNdmFRRVJsRTFscGJuZz09>

Vermillion River Watershed Joint Powers Organization

4100 220th Street West, Suite 103, Farmington, Minnesota 55024



Other Information

Next Meeting Date: **March 10, 2021** at 3:30 p.m.

Please confirm your attendance by contacting Mark Zabel at mark.zabel@co.dakota.mn.us

You will be notified if the meeting is cancelled due to an anticipated lack of quorum.



Minutes

Vermillion River Watershed Planning Commission Meeting

February 10, 2021 - 3:30 p.m.

Zoom Videoconference

WPC Members in Attendance

Mark Henry Chuck Clanton
Tony Wotzka Carolyn Miller
Ken Betzold James Kotz
Andy Riesgraf

Staff in Attendance

Mark Zabel, VRWJPO
Mark Ryan, VRWJPO
Paula Liepold, VRWJPO
Travis Thiel, VRWJPO

Others in Attendance

Curt Coudron, Dakota County SWCD
John Stelzner, Dakota County SWCD
Georg Fischer, Dakota County

1. Call to Order

The meeting was called to order by Commissioner Henry at 3:30 p.m. Members Hamrick, Borton and Betzold were absent.

2. Audience Comments on Items Not on the Agenda

None

3. Approval of Agenda

Commissioner Henry asked for a motion to approve the agenda as provided in the packet.

Motion by Commissioner Clanton, second by Commissioner Miller, to approve the agenda. The agenda was unanimously approved by a 6-0 roll call.

4. Approval of Minutes

Motion by Commissioner Clanton, second by Commissioner Kotz, to approve the minutes of the January 13, 2021, meeting, as distributed. The minutes were unanimously approved by a 6-0 roll call vote.

5. Business Items

Chair Henry welcomed new Commissioners Riesgraf and Kotz to the Vermillion River Watershed Planning Commission. Commissioners and some staff introduced themselves and their backgrounds for the new Commissioners.

a. Progress Update on Wetland Restoration in Castle Rock Township

Chair Henry introduced the Item. Mark Zabel provided the background on the VRWJPO financial participation in the development of the wetland restoration creating a wetland bank and wetland bank policy for the VRWJPO. John Stelzner of the Dakota County Soil and Water Conservation District presented an update on the progress for construction and seeding activities for restoration of the wetland and how wetland credits will be generated over time. Wetland credits are released upon a certification schedule that is highly reliant on performance standards for planned vegetation establishment in the wetland. The wetland restoration is taking place in Castle Rock Township, in the South Branch subwatershed of the Vermillion River. The wetland easement for this project is 120 acres, nearly 115 of which could become certified as wetland bank. The VRWJPO would receive about 1/3 of certified credits. Credits are released in stages with certification at each stage. Another benefit of the restoration is the habitat it creates. Mark Ryan pointed out that credits generated will be shared between the Minnesota Board of Water and Soil Resources, Dakota County, and the VRWJPO, and so an example of how wetland credits will be used for replacement of wetland impacts is for transportation projects within the watershed. Commissioner Wotzka asked about burning for long-term maintenance of vegetation in addition to the work done during establishment. Burning will be a part of the management approach for maintaining the restored wetland and is good for controlling invasives and promoting growth of native vegetation, as explained by John Stelzner.

b. Presentation on Current Draft Cost-Share Programs of the Dakota County Soil and Water Conservation District

Chair Henry introduced the item and turned the presentation over to Curt Coudron of the Dakota County Soil and Water Conservation District. Curt described how the Dakota SWCD and the VRWJPO jurisdictions cover much of the same ground geographically and have much of the same mission and goals in pursuing conservation efforts. The VRWJPO and the Dakota SWCD act in partnership to prevent unnecessary redundancies and improve efficiency of service.

Part of the services provided include conservation projects with landowners through Cost-Share Programs. There is about \$80,000 dollars allocated to projects through the Joint Powers Agreement between the VRWJPO and Dakota SWCD for 2021. Practices are put in according to specific design standards. Projects go before the Dakota SWCD Board for approval before construction begins. Dakota SWCD staff certify construction and requests for cost share payment go to the Dakota SWCD Board for payment approval. Programs include:

- Landscaping for Clean Water (Cost-share up to \$250 per project)
- Citizen Conservation Stewards (Cost-share up to 75% of project cost, \$5,000 limit)
- Conservation Initiative Funding (Cost-share up to 75% of project cost, \$25,000 limit)
- Community Partners Funding (Cost-share up to 75% of project cost, \$50,000 limit)
- Incentive Payment Practices (Cost-share rates and limits vary)

There is a new cost-share initiative this year which is Harvestable Covers which provides incentive for planting cover crops that can be harvested. This is currently in draft form awaiting approval by the Dakota SWCD Board. The initiative targets providing vegetation that covers the ground year-round. Existing cover crop programs generally limit to crops that are not harvested for profit. This program would allow harvest while the cover remains in place. Payments are graded less than payment for cover crop due to the potential for earnings with the crop, and contracts may be single or multiple year. A property can only enter the program once to provide incentive for multiple year contracts. Curt also highlighted several projects that were implemented in the VRWJPO in 2020 through the cost-share programs identified above.

Commissioner Betzold joined the meeting.

Chair Henry thanked the Dakota SWCD and their staff for the good work that they do and have done over the years. Commissioner Clanton asked about the harvestable covers program and whether that extends to pastures and other existing cover areas. Curt explained that this would apply to new planting areas. There is a five-year contract cap. There is also a 100-acre cap per contract. Commissioner Clanton noted that this program does not provide incentive or reward for those who are already doing the right thing.

6. Updates

a. Chairperson's Report

Chair Henry commented that he has been involved in obtaining a conservation easement and maintaining a portion of the Dakota County Fairgrounds over several years through grants. The easement area wet mesic prairie has been burned several times. Unfortunately the burns have not been effective at controlling invasive tree growth. To control the trees is requiring manual removal of the unwanted trees (Willows, Cottonwoods, Buckthorn, etc.), with some of that work going on presently. Chair Henry wanted to note this in case people were asking questions about the work and tree removals going on around the Fairgrounds.

b. Staff Updates

Zabel noted a couple of housekeeping needs. The Vermillion River Watershed Planning Commission has the authority to set the dates and times for their meetings. The meetings were changed several years ago to the current meeting date and time for regular meetings, the second Wednesday of the month from 3:30PM to 5:30PM. The meeting date and time can be changed to accommodate needs of the members. Commissioners agreed to keep the meeting on the second Wednesday of the month, but move the time to start the meeting at 4:00PM. **Motion by Betzold, second by Riesgraf, to set the regular meeting date and time as the second Wednesday of the month beginning at 4:00PM. Motion carried on a 7-0 roll call vote.**

The Commissioners are eligible to receive a per diem of \$35 for attendance at Vermillion River Watershed Planning Commission meetings. With COVID and the meeting restrictions we have been lax in tracking and making payments. To address this Zabel asks that Commissioners send him an email indicating if they wish to receive per diem. Zabel will follow up and get payment arranged and processed for those that request per diem.

Paula Liepold asks that the new Commissioners send photos for use on the Website.

Mark Ryan introduced himself and described his role with the VRWJPO and welcomed new members to the WPC.

Zabel announced that the Public Outreach and Communications position (Jen's position) has been approved to be filled. Zabel is still working through the finalization of the posting of the position which should happen soon.

7. Adjourn

Motion by Commissioner Miller, second by Commissioner Clanton, to adjourn the meeting at 4:51 p.m. The motion passed on a 7-0 roll-call vote.

6a. Recommendation to Execute a Grant Agreement with the Minnesota Board of Water and Soil Resources for Fiscal Year 2021 Watershed-Based Initiative Funding

Meeting Date: 3/10/2021
Item Type: Action
Contact: Travis Thiel
Telephone: 952-891-7546
Prepared by: Travis Thiel
Reviewed by: N/A

N/A



PURPOSE/ACTION REQUESTED

- Recommendation to execute a grant agreement (Grant) with the Minnesota Board of Water and Soil Resources (BWSR) for fiscal year 2021 Watershed-Based Initiative Funding (WBIF)

SUMMARY

The Vermillion River Watershed Joint Powers Organization (VRWJPO) staff requests a recommendation to execute a Grant with the BWSR for WBIF for projects and practices in the Vermillion River Watershed.

In 2020, the BWSR solicited prioritized projects from local stakeholders in the Vermillion River Watershed that addressed water quality improvement for WBIF grant consideration. Projects were submitted by local stakeholders, and those stakeholders reviewed and prioritized the projects and practices. The outcome was a prioritized list of projects and practices submitted to the BWSR through a formal budget request for WBIF grant funding consideration. The BWSR has approved the budget request and has provided the VRWJPO with a Grant (Attachment A).

Based on the preference for fiscal agent and grantee responsibilities, the WBIF Grant does not include a comprehensive list of all projects and practices proposed in the Vermillion River Watershed, rather, it's just the projects and practices where the VRWJPO will serve as fiscal agent and grantee. The Grant will assist in paying for the following activities: A North Creek channel improvement project in Lakeville, two sediment retention basins in Ravenna Township, anti-icing equipment for the City of Rosemount, assessments in the Cities of Farmington and Hastings that will identify stormwater improvement projects in areas of each city that directly drain to the Vermillion River, and grant administration. The Grant will provide \$487,181 toward the projects listed. The Grant has a 10 percent local match requirement that is being met using a combination of City and VRWJPO funding.

VRWJPO staff requests a recommendation to execute a Grant with the BWSR for WBIF for projects and practices in the Vermillion River Watershed in an amount not to exceed \$487,181.

RECOMMENDATION

Staff requests a recommendation to execute a Grant with the BWSR for WBIF for projects and practices in the Vermillion River Watershed in an amount not to exceed \$487,181.

EXPLANATION OF FISCAL/FTE IMPACT

The VRWJPO is estimating \$31,408 will be provided from the Capital Improvement Projects portion of the VRWJPO Budget and remaining required match will be provided by project and practice partners.

RESOLUTION

6a. Recommendation to Execute a Grant Agreement with the Minnesota Board of Water and Soil Resources for Fiscal Year 2021 Watershed-Based Initiative Funding

WHEREAS, in 2020, the Minnesota Board of Water and Soil Resources (BWR) solicited prioritized projects from local stakeholders in the Vermillion River Watershed that addressed water quality improvement for Watershed-Based Initiative Funding (WBIF) grant consideration; and

WHEREAS, projects were submitted by local stakeholders, and those stakeholders reviewed and prioritized the projects and practices; and

WHEREAS, a prioritized list of projects and practices were submitted to the BWSR through a formal budget request for WBIF grant funding consideration; and

WHEREAS, the BWSR has approved the budget request and has provided the Vermillion River Watershed Joint Powers Organization (VRWJPO) with a grant agreement (Grant) totaling \$487,181 for projects and practices in the Vermillion River Watershed; and

WHEREAS, the Grant requires a minimum 10 percent local match, which will be provided using a combination of City and VRWJPO funding.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Planning Commission recommends the Vermillion River Watershed Joint Powers Board execute a grant agreement with the BWSR in an amount not to exceed \$487,181 for fiscal year 2021 Watershed Based Implementation Funds for projects and practices in the Vermillion River Watershed; subject to approval as to form by the Dakota County Attorney's Office.

**FY 2021 STATE OF MINNESOTA
BOARD OF WATER and SOIL RESOURCES
WATERSHED-BASED IMPLEMENTATION FUNDING
GRANT AGREEMENT**

Vendor:	0000197289
PO#:	3000013139

This Grant Agreement is between the State of Minnesota, acting through its Board of Water and Soil Resources (Board) and **Vermillion River Watershed JPO, 1431 Erickson Drive Hastings Minnesota 55033** (Grantee).

Fiscal Agent: Dakota County

This grant is for the following Grant Programs :

C21-0588	2021 Metro Vermillion Watershed - Vermillion River Watershed JPO	\$487,181
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Total Grant Awarded: \$487,181

Recitals

1. The Laws of Minnesota 2019, 1st Special Session, Chapter 2, Article 2, Section 7(a), appropriated Clean Water Funds (CWF) to the Board for the FY 2020-2021 Watershed-based Implementation Funding.
2. The Board adopted the FY 2020-2021 Clean Water Fund Watershed-based Implementation Funding Program Policy and authorized the Watershed-based Implementation Funding Program through Board Order #19-54.
3. The Board adopted Board Order #19-54 to allocate funds for the FY 2020-2021 Watershed-based Implementation Funding Program.
4. The Grantee has submitted a BWSR approved work plan for this Program which is incorporated into this Grant Agreement by reference.
5. The Grantee represents that it is duly qualified and agrees to perform all services described in this Grant Agreement to the satisfaction of the State.
6. As a condition of the grant, Grantee agrees to minimize administration costs.

Authorized Representative

The State's Authorized Representative is Marcey Westrick, Clean Water Coordinator, BWSR, 520 Lafayette Road North, Saint Paul, MN 55155, 651-284-4153, or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services and performance provided under this Grant Agreement.

The Grantee's Authorized Representative is:

**Mike Slavik, Chair
Vermillion River Watershed Joint Powers Organization
1590 Highway 55
Hastings, MN 55033-2343
(651) 438-4427**

If the Grantee's Authorized Representative changes at any time during this Grant Agreement, the Grantee must immediately notify the Board.

Grant Agreement

1. **Terms of the Grant Agreement.**
 - 1.1. **Effective date:** The date the Board obtains all required signatures under Minn. Stat. § 16B.98, Subd. 5. **The State will notify the Grantee when this Grant Agreement has been executed. The Grantee must not begin work under this Grant Agreement until it is executed.**
 - 1.2. **Expiration date:** **December 31, 2023**, or until all obligations have been satisfactorily fulfilled, whichever comes first.

- 1.3. **Survival of Terms:** The following clauses survive the expiration date or cancellation of this Grant Agreement: 7. Liability; 8. State Audits; 9. Government Data Practices; 11. Publicity and Endorsement; 12. Governing Law, Jurisdiction, and Venue; 14. Data Disclosure; and 19. Intellectual Property Rights.

2. **Grantee's Duties.**

The Grantee will comply with required grants management policies and procedures set forth through Minn. Stat § 16B.97, Subd. 4(a)(1). The Grantee is responsible for the specific duties for the Program as follows:

- 2.1. **Implementation:** The Grantee will implement their work plan, which is incorporated into this Grant Agreement by reference.
- 2.2. **Reporting:** All data and information provided in a Grantee's report shall be considered public.
 - 2.2.1. The Grantee will submit an annual progress report to the Board by February 1 of each year on the status of Program implementation by the Grantee. Information provided must conform to the requirements and formats set by the Board. All individual grants over \$500,000 will also require a reporting expenditure by June 30 of each year.
 - 2.2.2. The Grantee will prominently display on its website the Clean Water Legacy Logo and a link to the Legislative Coordinating Commission website.
 - 2.2.3. Final Progress Report: The Grantee will submit a final progress report to the Board by February 1, 2024 or within 30 days of completion of the project, whichever occurs sooner. Information provided must conform to the requirements and formats set by the Board.
- 2.3. **Match:** The Grantee will ensure any local match requirement will be provided as stated in Grantee's approved work plan.

3. **Time.**

The Grantee must comply with all the time requirements described in this Grant Agreement. In the performance of this Grant Agreement, time is of the essence.

4. **Terms of Payment.**

- 4.1. Grant funds will be distributed in three installments: 1) The first payment of 50% will be distributed after the execution of the Grant Agreement. 2) The second payment of 40% will be distributed after the first payment of 50% has been expended and reporting requirements have been met. An eLINK Interim Financial Report that summarizes expenditures of the first 50% must be signed by the Grantee and approved by BWSR. Selected grantees may be required at this point to submit documentation of the expenditures reported on the Interim Financial Report for verification. 3) The third payment of 10% will be distributed after the grant has been fully expended and reporting requirements are met. The final, 10% payment must be requested within 30 days of the expiration date of the Grant Agreement. An eLINK Final Financial Report that summarizes final expenditures for the grant must be signed by the Grantee and approved by BWSR.
- 4.2. All costs must be incurred within the grant period.
- 4.3. All incurred costs must be paid before the amount of unspent funds is determined. Unspent grant funds must be returned within 30 days of the expiration date of the Grant Agreement.
- 4.4. The obligation of the State under this Grant Agreement will not exceed the amount listed above.
- 4.5. This grant includes an advance payment of 50 % of the grant's total amount. Advance payments allow the grantee to have adequate operating capital for start-up costs, ensure their financial commitment to landowners and contractors, and to better schedule work into the future.

5. **Conditions of Payment.**

- 5.1. All services provided by the Grantee under this Grant Agreement must be performed to the State's satisfaction, as set forth in this Grant Agreement and in the BWSR approved work plan for this program. Compliance will be determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, State, and local laws, policies, ordinances, rules, FY 2020-2021 Clean Water Fund Watershed-based Implementation Funding Program Policy, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, State or local law.
- 5.2. Minnesota Statutes §103C.401 (2018) establishes BWSR's obligation to assure Program compliance. If the noncompliance is severe, or if work under the Grant Agreement is found by BWSR to be unsatisfactory or performed in violation of federal, State, or local law, BWSR has the authority to require the repayment of grant funds or withhold payment on grants from other programs.

6. **Assignment, Amendments, and Waiver**

- 6.1. **Assignment.** The Grantee may neither assign nor transfer any rights or obligations under this Grant Agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Grant Agreement, or their successors in office.
- 6.2. **Amendments.** Any amendments to this Grant Agreement must be in writing and will not be effective until it has been approved and executed by the same parties who approved and executed the original Grant Agreement, or their successors in office. Amendments must be executed prior to the expiration of the original Grant Agreement or any amendments thereto.
- 6.3. **Waiver.** If the State fails to enforce any provision of this Grant Agreement, that failure does not waive the provision or its right to enforce it.
7. **Liability.**
The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this Grant Agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this Grant Agreement.
8. **State Audits.**
Under Minn. Stat. § 16B.98, Subd. 8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this Grant Agreement or transaction are subject to examination by the Board and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Grant Agreement, receipt and approval of all final reports, or the required period of time to satisfy all State and program retention requirements, whichever is later.
- 8.1. The books, records, documents, accounting procedures and practices of the Grantee and its designated local units of government and contractors relevant to this grant, may be examined at any time by the Board or Board's designee and are subject to verification. The Grantee or delegated local unit of government will maintain records relating to the receipt and expenditure of grant funds.
9. **Government Data Practices.**
The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this Grant Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this Grant Agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.
10. **Workers' Compensation.**
The Grantee certifies that it is in compliance with Minn. Stat. § 176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.
11. **Publicity and Endorsement.**
11.1. **Publicity.** Any publicity regarding the subject matter of this Grant Agreement must identify the Board as the sponsoring agency. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Grant Agreement.
11.2. **Endorsement.** The Grantee must not claim that the State endorses its products or services
12. **Governing Law, Jurisdiction, and Venue.**
Minnesota law, without regard to its choice-of-law provisions, governs this Grant Agreement. Venue for all legal proceedings out of this Grant Agreement, or its breach, must be in the appropriate State or federal court with competent jurisdiction in Ramsey County, Minnesota.
13. **Termination.**
13.1. The State may cancel this Grant Agreement at any time, with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

- 13.2. In the event of a lawsuit, an appropriation from a Clean Water Fund is canceled to the extent that a court determines that the appropriation unconstitutionally substitutes for a traditional source of funding.
- 13.3. The State may immediately terminate this Grant Agreement if the State finds that there has been a failure to comply with the provisions of this Grant Agreement, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14. Data Disclosure.

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and State tax agencies and State personnel involved in the payment of State obligations. These identification numbers may be used in the enforcement of federal and State tax laws which could result in action requiring the Grantee to file State tax returns and pay delinquent State tax liabilities, if any.

15. Prevailing Wage.

It is the responsibility of the Grantee or contractor to pay prevailing wage for projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§ 177.41 through 177.44. All laborers and mechanics employed by grant recipients and subcontractors funded in whole or in part with these State funds shall be paid wages at a rate not less than those prevailing on projects of a character similar in the locality. Bid requests must state the project is subject to prevailing wage.

16. Municipal Contracting Law.

Per Minn. Stat. § 471.345, grantees that are municipalities as defined in Subd. 1 of this statute must follow the Uniform Municipal Contracting Law. Supporting documentation of the bidding process utilized to contract services must be included in the Grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.

17. Constitutional Compliance.

It is the responsibility of the Grantee to comply with requirements of the Minnesota Constitution regarding the use of Clean Water Funds to supplement traditional sources of funding.

18. Signage.

It is the responsibility of the Grantee to comply with requirements for project signage as provided in Minnesota Laws 2010, Chapter 361, Article 3, Section 5(b) for Clean Water Fund projects.

19. Intellectual Property Rights.

The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents *created and paid for under this grant*. Works means all inventions, improvements, discoveries, (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this grant. Work includes "Documents." Documents are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents or subcontractors, in the performance of this grant. The Documents will be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee upon completion or cancellation of this grant at the State's request. To the extent possible, those Works eligible for copyright protection under the United State Copyright Act will be deemed to be "works made for hire." The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be duly executed intending to be bound thereby.

Approved:

Vermillion River Watershed JPO

Board of Water and Soil Resources

By: _____
(print)

(signature)

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

6b. Recommendation to Adopt Modifications to the VRWJPO Permit Program Fee and Security Schedule

Meeting Date: 3/10/2021
Item Type: Action
Contact: Mark Ryan
Telephone: 952-891-7596
Prepared by: Mark Ryan
Reviewed by: N/A

N/A



PURPOSE/ACTION REQUESTED

- Recommendation to adopt modifications to the VRWJPO Permit Fee and Security Schedule

SUMMARY

The Vermillion River Watershed Joint Powers Organization (VRWJPO) administers a permit program for its Rules only in municipalities that have chosen not to implement VRWJPO Standards through local ordinances. Since 2017, the VRWJPO has implemented a permit program in Eureka Township after the Township chose to not implement the VRWJPO Standards. A Permit Program Fee and Security Schedule for staff rates, application fees, permit activity escrow amounts, and project securities was last updated through approval by the Vermillion River Watershed Joint Powers Board (VRWJPB) in February 2018. The more stringent requirement for reviewing the fees and securities is located in Section 12.03 of the VRWJPO Rules and states that the security amounts shall be reviewed and set “at least once every three years.”

A public hearing is required to modify and set the permit program fee and security schedule, and the VRWJPB has scheduled a public hearing for the next VRWJPB meeting on Thursday, March 25, 2021 at 1:00 pm (CST). Official public notice will be provided via area newspapers and on the VRWJPO website.

VRWJPO staff have reviewed the existing permit fee schedule last updated in 2018 and observed the application of these fees through permitting in Eureka Township since 2017. Based on the review, staff propose the following modifications to the VRWJPO Permit Program Fee and Security Schedule:

- The hourly rate of the watershed staff performing reviews and inspections has been adjusted to accurately reflect expenses related to staff time and equipment and is a reasonable billing rate in comparison with other permitting programs (\$100/hour to \$90/hour)
- Additional escrow categories have been added to allow more flexibility to VRWJPO staff to “right-size” escrow amounts for the highly variable types of projects
- Removal of security requirements for projects like single family homes that may barely exceed one acre in size of disturbance
- Security amounts have been reduced slightly, and a maximum security amount is now listed

Copies of the proposed version of the VRWJPO Permit Program Fee and Security Schedule with and without markups can be found as Attachments A and B to this item.

RESOLUTION

6b. Recommendation to Adopt Modifications to the VRWJPO Permit Program Fee and Security Schedule

WHEREAS, the Vermillion River Watershed Joint Powers Organization (VRWJPO) administers a permit program for its Rules in municipalities that have chosen not to implement VRWJPO Standards through local ordinance; and

WHEREAS, a Permit Program Fee and Security Schedule for staff rates, application fees, permit activity escrow amounts, and project securities for the permit program exists and shall be reviewed at least once every three years per the VRWJPO Rules; and

WHEREAS, the VRWJPB has scheduled a public hearing for the next VRWJPB meeting on Thursday, March 25, 2021 at 1:00 pm (CST) as required for reviewing and modifying the schedule; and

WHEREAS, VRWJPO staff have reviewed the existing permit fee schedule and propose modifications to the hourly rate, escrow categories, and security requirements of the schedule based on experience from administering the permit program.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Planning Commission recommends the Vermillion River Watershed Joint Powers Board adopt modifications to the Vermillion River Watershed Joint Powers Organization Permit Program Fee and Security Schedule.



Vermillion River Watershed Joint Powers Organization

4100 220th Street West, Suite 103, Farmington, MN 55024, 952.891.7000, Fax 952.891.7588

**Vermillion River Watershed Joint Powers Organization (VRWJPO)
Permit Program Fee and Security Schedule**

Proposed 2/25/2021

TIER ONE:

1. Land disturbing activities less than 1 acre in size- but triggering one or more of the criteria for Erosion and Sediment Control requirements listed under Section 7.2.B of the VRWJPO Standards, or
2. Land disturbing activities for a grading project, residential/agricultural accessory building, or an individual single-family residence that disturbs between 1 and 5 acres of land but does not trigger any section of the Standards except for Erosion and Sediment Control requirements.

Permit Application Fee: \$10 (one-time fee to process permit application)

Field Inspection Fees: To be held in escrow according to the escrow account requirements stated below in the following amounts:

- (1) \$450 for land disturbing activities less than 1 acre in size with lower potential for adverse water quality impacts (determination of potential impacts at the discretion of VRWJPO staff).
- (2) \$675 for land disturbing activities less than 1 acre in size higher potential for adverse water quality impacts (determination of potential impacts is at the discretion of VRWJPO staff).
- (3) \$900 for grading project, residential/agricultural accessory building, or an individual single-family residence that disturbs between 1 and 5 acres of land but does not trigger any section of the VRWJPO Standards except for Erosion and Sediment Control Requirements.

Security: No security required.

TIER TWO:

1. Land disturbing activities more than 1 acre in size that do not meet the criteria described in Tier One above, or
2. Creation of more than 1 acre of new impervious surface, or
3. Drainage alterations, or
4. Floodplain alterations

Permit Application Fee: \$10 (one-time fee to process permit application)

Field Inspection Fee: To be held in escrow according to the escrow account requirements stated below in the following amounts:

- (1) \$1,800 for land disturbance sites between 1 and 5 acres that do not meet the criteria described in Tier One above and do not result in 1 acre or more of new impervious surface, drainage alterations, or floodplain alterations.
- (2) \$2,700 for land disturbance sites greater than 1 acre that create 1 or more acre of new impervious surfaces, drainage alterations, or floodplain alterations.

Security: Security in the form of cash, performance bond, or an irrevocable renewable letter of credit is required prior to the issuance of a permit. The amount of required security is as follows depending on the type of project:

A. Projects or land disturbing activities disturbing less than ~~35~~ acres of land AND creating less than 1 acre of new impervious surfaces:

- (1) \$500 per acre of disturbance for land draining to waters other than DNR designated trout streams.
- (2) \$1,000 per acre of disturbance for land draining to DNR designated trout streams.

B. Projects or land disturbing activities disturbing ~~35~~ acres or more of land AND/OR creating 1 acre or more of new impervious surfaces:

- (1) \$2,500 per acre of disturbance for land draining to waters other than DNR designated trout streams (to a maximum of \$100,000).
- (2) \$4,000 per acre of disturbance for land draining to DNR designated trout streams (to a maximum of \$160,000).

Escrow Account Requirements for Field Inspection Fees (Tier One and Tier Two):

An applicant for a permit in tier one or tier two must pay the required amount that shall be placed into escrow at the time the applicant submits the project application. By signing the application form, the applicant enters into an escrow agreement. The permit applicant must pay the actual costs incurred by the VRWJPO for field inspection, administering of corrective actions, and other activities related to the review and oversight of permitted activities. The VRWJPO may also use escrow dollars for costs it incurred for site review and engineering services during the development of permitted activities. Actual costs include all VRWJPO staff time and any outside consultant costs and printing, copying and mailing costs. VRWJPO staff time shall be charged at a rate of \$90 per hour.

If at any time the actual costs should exceed the escrowed amount, the applicant shall remit additional funds into the escrow fund when requested by the VRWJPO. If the applicant fails to replenish the escrow as requested, the VRWJPO may revoke the permit or withhold the certificate of completion until such time as the escrow is replenished. Any remaining funds in the escrow at the conclusion of the project shall be refundable to the applicant when all actual costs are paid and the administration of the escrow has been completed.



Vermillion River Watershed Joint Powers Organization

4100 220th Street West, Suite 103, Farmington, MN 55024, 952.891.7000, Fax 952.891.7588

**Vermillion River Watershed Joint Powers Organization (VRWJPO)
Permit Program Fee and Security Schedule**

Approved 2/22/2018 Proposed 2/25/2021

TIER ONE:

1. Land disturbing activities less than 1 acre in size- but triggering one or more of the criteria for Erosion and Sediment Control requirements listed under Section 7.2.B of the VRWJPO Standards, or
2. Land disturbing activities for a grading project, residential/agricultural accessory building, or an individual single-family residence that disturbs between 1 and 5 acres of land but does not trigger any section of the Standards except for Erosion and Sediment Control requirements.

Permit Application Fee: \$10 (one-time fee to process permit application)

Field Inspection Fees: To be held in escrow according to the escrow account requirements stated below in the following amounts:

- (1) ~~\$500~~ \$450 for ~~accessory structures~~ land disturbing activities less than 1 acre in size with lower potential for adverse water quality impacts (determination of potential impacts at the discretion of VRWJPO staff).
- (2) ~~\$1,000~~ \$675 for land disturbing activities less than 1 acre in size principal structures and accessory structure with higher potential for adverse water quality impacts (determination of potential impacts is at the discretion of VRWJPO staff).
- (3) \$900 for grading project, residential/agricultural accessory building, or an individual single-family residence that disturbs between 1 and 5 acres of land but does not trigger any section of the VRWJPO Standards except for Erosion and Sediment Control Requirements.

Security: No security required.

TIER TWO:

1. Land disturbing activities more than 1 acre in size that do not meet the criteria described in Tier One above, or
2. Creation of more than 1 acre of new impervious surface, or
3. Drainage alterations, or
4. Floodplain alterations

Permit Application Fee: \$10 (one-time fee to process permit application)

Field Inspection Fee: ~~\$2,000~~ To be held in escrow according to the escrow account requirements stated below in the following amounts:-

- (1) \$1,800 for land disturbance sites between 1 and 5 acres that do not meet the criteria described in Tier One above and do not result in 1 acre or more of new impervious surface, drainage alterations, or floodplain alterations.
- (2) \$2,700 for land disturbance sites greater than 1 acre that create 1 or more acre of new impervious surfaces, drainage alterations, or floodplain alterations.

Security:

Security in the form of cash, performance bond, or an irrevocable renewable letter of credit is required prior to the issuance of a permit. The amount of required security is as follows depending on the type of project:

- A. Projects or land disturbing activities disturbing less than ~~35~~ 5 acres of land AND creating less than 1 acre of new impervious surfaces:

- (1) \$500 per acre of disturbance for land draining to waters other than DNR designated trout streams.
- (2) \$1,000 per acre of disturbance for land draining to DNR designated trout streams.

- B. Projects or land disturbing activities disturbing ~~35~~ 5 acres or more of land AND/OR creating 1 acre or more of new impervious surfaces:

- (1) ~~\$3,000~~ \$2,500 per acre of disturbance for land draining to waters other than DNR designated trout streams (to a maximum of \$100,000).
- (2) ~~\$54,000~~ per acre of disturbance for land draining to DNR designated trout streams (to a maximum of \$160,000).

Escrow Account Requirements for Field Inspection Fees (Tier One and Tier Two):

An applicant for a permit in tier one or tier two must pay the required amount that shall be placed into escrow at the time the applicant submits the project application. By signing the application form, the applicant enters into an escrow agreement. The permit applicant must pay the actual costs incurred by the VRWJPO for field inspection, administering of corrective actions, and other activities related to the review and oversight of permitted activities. The VRWJPO may also use escrow dollars for costs it incurred for site review and engineering services during the development of permitted activities. Actual costs include all VRWJPO staff time and any outside consultant costs and printing, copying and mailing costs. VRWJPO staff time shall be charged at a rate of \$100.90 per hour.

If at any time the actual costs should exceed the escrowed amount, the applicant shall remit additional funds into the escrow fund when requested by the VRWJPO. If the applicant fails to replenish the escrow as requested, the VRWJPO may revoke the permit or withhold the certificate of completion until such time as the escrow is replenished. Any remaining funds in the escrow at the conclusion of the project shall be refundable to the applicant when all actual costs are paid and the administration of the escrow has been completed.