



Meeting Minutes

Vermillion River Watershed Joint Powers Board (JPB) Meeting

Thursday, April 25, 2024, 1 p.m., in-person at the Dakota County Extension and Conservation Center and virtual via Microsoft Teams

Board Members in Attendance

Dakota County Commissioner Mike Slavik
Dakota County Commissioner Bill Droste
Scott County Commissioner Tom Wolf

Watershed Planning Commission (WPC) Members in Attendance

Brad Blackett
Sandra Weber

Others in Attendance

Nikki Stewart, Dakota County, Environmental Resources Department Director
Travis Thiel, Dakota County, Vermillion River Watershed Joint Powers Organization (VRWJPO) Administrator
Kelly Perrine, Dakota County, VRWJPO Senior Watershed Specialist
Brian Wisdorf, Dakota County, Assistant County Attorney, VRWJPO legal counsel
Bruce Johnson, Dakota County Soil and Water Conservation District (SWCD) Supervisor
Thana Ross (THAY-na), Dakota County League of Women Voters

1. Call to Order

Meeting was called to order at 1 p.m.

2. Roll Call

Commissioners Slavik, Droste, and Wolf were in attendance.

3. Audience Comments on Items Not on the Agenda

Sandra Weber brought up the data centers planned for Castle Rock Township/Farmington. She was concerned about the centers' potential water use effect on the Vermillion River and asked that it remain a topic of consideration for the watershed. Commissioner Slavik asked Travis Thiel to discuss further during staff reports.



4. Approval of Agenda

Res. No. VRW 24-09: Motion by Commissioner Droste to approve the agenda, seconded by Commissioner Wolf. Motion carried on a 3-0 voice vote.

5. Approval of Minutes from the March 21, 2024 Meeting

Res. No. VRW 24-10: Motion by Commissioner Wolf to approve the minutes, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.

6. Approval of Consent Agenda

- a. Acceptance of Treasurer's Report**
- b. Approval of Vermillion River Watershed Joint Powers Organization Consultant List for 2024-2025**

Res. No. VRW 24-11: Motion by Commissioner Wolf to approve the consent agenda, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.

7. Approval of Expenses

Travis Thiel presented the expenses submitted between March 12 and April 11, 2024, totaling \$80,789.35.

Res. No. VRW 24-12: Motion by Commissioner Wolf to approve the expenses, seconded by Commissioner Droste. Motion carried on a 3-0 roll call vote.

8. Business Items

- a. Authorization to Execute a Joint Powers Agreement (JPA) with the City of Lakeville for City Projects 24-02 and 24-20**

Travis shared about two proposed Lakeville projects intended to reduce sediment loading in Middle Creek and South Creek of the Vermillion River. One is a hydrodynamic separator at 205th St. West and Hollins Avenue, the other is a stormwater reuse irrigation system and splash pad water treatment and recirculation project at Avonlea Park. The proposed JPA amount is not to exceed \$370,000.

Res. No. VRW 24-13: Motion by Commissioner Wolf to authorize the JPA, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.

- b. Approval of Proposed Amendments to the VRWJPO 2024 Budget**



Travis reviewed the proposed budget amendments, including for the Water Conservation/Landscaping for Clean Water Marketing Campaign, Capital Improvement Project amount changes, grants received, and the new credits available in the Wetland Bank. The budgeted expenditures for 2024 now equal \$2,749,160, with a cash reserve of \$1,008,013.

Travis also mentioned that the Dakota County Soil and Water Conservation District had successfully applied on the VRWJPO's behalf for a new Wetland Bank in partnership with the Minnesota Board of Water & Soil Resources (BWSR), with anticipated construction in 2025. The additional money in cash reserve will support this effort.

Commissioner Slavik said that he was concerned the watershed may have priced the existing wetland bank credits too low to encourage impactors in the watershed to buy the credits within the watershed. The Board will re-open discussion on pricing the credits with the new Bank at a later date.

Res. No. VRW 24-14: Motion by Commissioner Wolf to approve the amendments, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.

c. Authorization to Execute a Grant Agreement with the Minnesota Department of Health (MDH) for Water Conservation and Landscaping for Clean Water Marketing Accelerated Implementation Grant

Kelly Perrine presented the proposed marketing campaign, which is meant to use humorous videos and geographically-targeted advertising to increase summer water conservation and promote the Landscaping for Clean Water (LCW) program. She applied for and received a \$50,000 Accelerated Implementation Grant from MDH for this effort. The grant will reimburse \$50,000 to the VRWJPO. The remainder of the project costs will be sourced from Dakota County, VRWJPO, Dakota County SWCD, Black Dog Watershed Management Organization (WMO), Eagan-Inver Grove Heights WMO, and Lower Mississippi River WMO budgets. The direct impact to the VRWJPO is \$10,000 and is identified in the Public Communication and Outreach portion of the VRWJPO Budget. The project will be completed collaboratively by the above organizations. The total project cost is projected at \$95,080 over 2024-25.

Commissioner Droste asked why cities weren't listed as partners. Kelly responded that she had engaged city staff about the campaign in the early stages of it, and that it was challenging to get cities to commit financially to the campaign. The watersheds will work with cities to ensure that they are getting the message out. Travis added that some cities in other WMOs didn't want to appear like they were double-contributing to the project because they already pay fees to the watersheds (this is not the case with VRWJPO).

Res. No. VRW 24-15: Motion by Commissioner Wolf to authorize the grant agreement, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.



d. Authorization to Submit the 2023 VRWJPO Annual Activity Report and Financial Statement to the Minnesota Board of Water & Soil Resources (BWSR)

Travis presented the annual report, which was prepared by Brita Moore-Kutz. The full report, included in the packet, satisfies the state requirements while highlighting trends and improvements in the watershed. To better serve the needs of the Board and the public, Brita created a two-page summary of the annual report.

Commissioner Droste asked whom the report is distributed to, which Travis answered is BWSR. Droste then asked if it could be supplied to local partners and if he could help with that effort. Travis said parts of the report get sent to them, and the full report and summary are posted on the VRWJPO website. Commissioner Slavik said he thought the two-page summary was incredibly valuable and could be used in libraries and with local partners.

Res. No. VRW 24-16: Motion by Commissioner Droste to authorize submitting the annual report to BWSR, seconded by Commissioner Wolf. Motion carried on a 3-0 voice vote.

9. Staff Reports

Kelly Perrine

VRWJPO began removal of the invasive carp and goldfish from East Lake in Lakeville, which is the second part of the project in addition to the low-voltage fish barrier as it outlets from the lake to North Creek. Local firm WSB is taking on the removals via electrofishing and baited box nets. The efforts will continue through 2024 and into 2025.

Jeff Dunn (written report)

Jeff was out at Ravenna Township at the ravine restoration project, scheduled to be finished within the week barring any issues. He also provided a sample of the project construction site signs he had fabricated to increase public awareness around VRWJPO projects.

Melissa Bokman Ermer (written report)

Melissa received two Elko New Market 2040 comprehensive plan amendments for comment. One was to change the guided land use on approximately 17 acres from medium-density residential to low-density residential. The other was to change guidelines on 130 acres from commercial to a new mixed-land use designation.



Travis Thiel

Staff were notified earlier in the week that Linda Larson, a member of the Watershed Planning Commission, was resigning her position. VRWJPO will seek to fill the seat as soon as possible.

As mentioned in earlier meeting items, BWSR informed VRWJPO that they can proceed with the development of a new Wetland Bank in the watershed. This would be on property across the road from the existing Bank (Braun). The next step is to continue working with BWSR, with whom VRWJPO will split costs evenly. It will be a \$1.5 million project overall. The VRWJPO will be able to sell its portion of the credits to recoup costs and apply toward future wetland restorations.

Commissioner Slavik recalled that with the Braun Bank, the project included Dakota County as a partner as well as VRWJPO and BWSR. The County has other projects on its plate now.

Bank credit values were set from a policy developed in 2018. The values were set at 4.5x the value of an acre of agricultural land if the credits were purchased by someone within the Vermillion River Watershed with a maximum of \$37,000 per acre, and 5.5x the value of an acre of agricultural land if purchased from outside the watershed with a maximum of \$45,000. To date, all credits have been sold at the maximum value. The land values these prices were based on were from 2013-2018. Since 2022, the land values have risen so 4.5x the value would exceed the maximum.

Commissioner Slavik said he did not think it was appropriate to base the prices on an existing land value, but rather go by the market rate and assign some percentage of discount. The lower prices of credits created demand that caused credits to sell quickly.

Regarding data centers, Travis said he was aware of one in Castle Rock Township on former school district property, which is being annexed by the City of Farmington. There is also a possible data center on the west side of Farmington near the industrial park.

Commissioner Droste said it might be worthwhile to contact the City of Rosemount Administrator about the daily maximum water usage they have set in their agreement with Meta for the data center there, which is already being built on a 250-acre site.

Commissioner Slavik said this is a bigger issue than just the VRWJPO and involves state-level actors, but the watersheds are going to still field lots of questions about groundwater sustainability. He said staff need to stay well-informed of what's going on.

Brian Wisdorf

The County Attorney's Office is working on proposed changes to the empowering JPA as discussed at the March JPB strategic planning session. He said they should have it for their final review soon. The revised JPA would need to be approved by both County Boards.



10. Adjourn

Motion by Commissioner Wolf to adjourn, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote. The meeting was adjourned at 1:40 p.m.

Next Meeting Date: Thursday, May 23, 2024, at 1 p.m. in Conference Room A at the Dakota County Extension and Conservation Center, 4100 220th Street West, Farmington, MN and via teleconference on Microsoft Teams.

Respectfully submitted by

Brita Moore-Kutz

Communications & Outreach Specialist for the Vermillion River Watershed Joint Powers Organization

Attest

Commissioner

Secretary/ Treasurer

Date