



Agenda

Vermillion River Watershed Joint Powers Board Meeting

August 22, 2024, 1 p.m.

In-person at the Dakota County Extension and Conservation Center and virtual via Microsoft Teams

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 Page 1
5. Approval of Minutes from the July 25, 2024, Meeting Action Page 3
6. Consent Agenda Action
 - a. Acceptance of Treasurer's Report Action Page 9
7. Approval of Expenses Action Page 10
8. Business Items
 - a. Public Hearing to Receive Comments on and Adoption of the Draft Vermillion River Watershed Joint Powers Organization 2025 Budget and Watershed Management Tax District Levy Action Page 11
 - b. Authorization to Execute a Joint Powers Agreement with the City of Lakeville and Dakota County for the Launch Park Wetland Restoration Project Preliminary Engineering Design and Permitting Coordination Action Page 17
 - c. Authorization to Execute a Joint Powers Agreement with Lakeville for Dakota County 50-19 Lake Marion Phosphorus Treatment Project and South Creek Temperature Reduction Project Maintenance and Performance Improvement Engineering Action Page 25
 - d. Authorization to Execute Contract with Solitude Lake Management for Alimagnet Lake Alum Treatment Project Action Page 33
10. Staff Reports
11. Adjourn Action

Please note, the August 22, 2024, Vermillion River Watershed Joint Powers Board meeting will take place **in-person** in Conference Room A at the Extension and Conservation Center, 4100 220th Street West, Farmington, Minnesota, **and via teleconference** on Microsoft Teams.

Microsoft Teams

[Join the meeting now](#)



Meeting ID: 274 154 940 030

Passcode: zuTrkH

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Other Information

Next Meeting Date: **September 26, 2024**, at 1 p.m.

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



Meeting Minutes

Vermillion River Watershed Joint Powers Board (JPB) Meeting

Thursday, July 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
Sandy Weber

Others in Attendance

Travis Thiel, Dakota County, Vermillion River Watershed Joint Powers Organization (VRWJPO) Administrator
Melissa Bokman Ermer, Scott County, VRWJPO Co-Administrator (virtual)
Kelly Perrine, Dakota County, VRWJPO Senior Watershed Specialist
Jeff Dunn, Dakota County, VRWJPO Water Resources Engineer
Brian Wisdorf, Dakota County, Assistant County Attorney, VRWJPO legal counsel
Bruce Johnson, Dakota County Soil and Water Conservation District (SWCD), Supervisor

1. Call to Order

Meeting was called to order at 1 p.m.

2. Roll Call

Commissioners Slavik, Wolf, and Droste were in attendance.

3. Audience Comments on Items Not on the Agenda

Sandy Weber presented information related to her concerns about the environmental impact from a proposed mine in Waterford Township, proposed data centers in Castle Rock Township and Farmington area, and the bottling facility in Elko New Market. Sandy mentioned that the Vermillion River Watershed Joint Powers Organization should be concerned with proposed impacts from these activities, especially



their groundwater withdrawal and effects to the aquifers. With some of the proposed data centers in the headwaters area of the South Branch Vermillion River, she asked whether or not there were concerns about the groundwater pumping and its impact to the South Branch Vermillion River and the trout population. Commissioner Wolf responded that he doesn't have concerns about the impact given the ample supply of water in this area. He also noted that the primary trout population is an introduced species of trout rather than the native species.

4. Approval of Agenda

Res. No. VRW 24-29: 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 June 27, 2024, Meeting

Res. No. VRW 24-30: Motion by Commissioner Wolf to approve the minutes, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.

6. Acceptance of Treasurer's Report

Travis Thiel presented a new format of the Treasurer's Report given prior input from Commissioners' desire for more detail regarding the VRWJPO's financial position. Travis indicated he's worked with the Dakota County Finance Department staff for many months to try and get information in a format that provides significant detail to address Commissioner's desires while trying to automate the report generation process rather than manually entering financial data that requires significant staff time with the potential to introduce financial errors.

After walking through many of the changes in format, Travis asked if there was any feedback from Commissioners on the new format. Commissioners indicated they thought the new format provides significantly more financial transparency but is way too detailed to be effective in answering the questions they have. Travis indicated that he understood those concerns as the report is very detailed, but the new format was an effort to try and provide financial transparency for each line item in the VRWJPO budget but noted that with 2024 budget format and the way Dakota County's financial software and report generation works, it is like fitting a square peg into a round hole. Travis indicated that his hope is that the changed format of the 2025 VRWJPO budget would better align with the reports Dakota County Finance staff can generate to provide better financial position and transparency.

Commissioner Droste asked if VRWJPO staff are working with the Dakota County Finance Director in this process. Travis indicated he's not working with the Director but has been working with Finance staff who are assigned to assist the Physical Development Division. Travis asked if Commissioners would like to revert back to the previous format for the remainder of the year given the new format is too detailed.



Commissioners agreed they'd prefer to use the existing format until the end of the year and suggested quarterly reports with more detail would be adequate for their need.

Res. No. VRW 24-31: Motion by Commissioner Droste to approve the Treasurer's Report, seconded by Commissioner Wolf. Motion carried on a 3-0 roll call vote.

7. Approval of Consent Agenda

a. Schedule a Public Hearing to Receive Comments on the Draft Vermillion River Watershed Joint Powers Organization 2025 Budget and Watershed Management Tax District Levy

Res. No. VRW 24-32: Motion by Commissioner Wolf to approve the consent agenda, seconded by Commissioner Droste. Motion carried on a 3-0 voice vote.

8. Approval of Expenses

Travis Thiel presented the expenses submitted between June 1 and June 30, 2024, totaling \$46,678.92. Commissioner Slavik asked whether the format of the expense report would be changing. Travis indicated that the format really isn't changing but there is new automation of the process happening in the background that is used to populate the expense report.

Res. No. VRW 24-33: Motion by Commissioner Droste to approve expenses, seconded by Commissioner Wolf. Motion carried on a 3-0 roll call vote.

9. Business Items

Presentation and Discussion on Proposed VRWJPO 2025 Draft Budget and Watershed Management Tax District Levy

Travis Thiel presented a draft 2025 VRWJPO budget and walked Commissioners through some of the significant format changes from previous years' budgets. The new format of the budget also includes revisions to the proposed expenses based on Commissioners' desire to cut fluff from the major budget categories and carry a higher cash reserve. Travis indicated he had concerns that with the proposed \$1 million levy as was levied in previous years, the results is a lower cash reserve than he was comfortable with. Travis indicated he cut about \$300,000 alone from the operations and program portions of the budget and additional cuts in staff time under the Capital Improvement Program. Travis indicated that with the amount of cuts proposed to remove the fluff from budget categories, it is important to carry a high enough cash reserve to cover various unknowns, projects of opportunity, and contingencies.

Travis stated the proposed cash reserve is at 9% and ideally would be about \$300,000 higher in order to have cash reserves between 15- and 20-percent where he felt more fiscally comfortable. Travis has



discussed potential cuts in expenses with staff, though he noted that with significant cuts already made there was little left to cut. Delaying some of the capital projects until 2026 or later may be one option to improve fund balance. Travis believes a \$1 million dollar budget would likely be feasible if not for the proposed wetland bank project in the budget in 2025 and its significant expense.

Commissioner Wolf asked about the change in investment earnings in the draft 2025 budget versus the 2024 budget. Travis noted that this increase in the estimated investment earnings is based on information from Dakota County Finance staff on year-to-date earnings and projections to the end of 2024. Travis noted that the amount in the 2024 budget and prior years likely underestimated those earnings. Commissioner Wolf noted that in Scott County they are assuming no earnings for their investments given uncertainty in the future financial market as a means to budget conservatively.

Travis mentioned another option for Commissioners to consider would be to levy more than \$1 million dollars in 2025. Commissioners seemed to agree that they were unwilling to raise the levy amount to \$1.3 million to meet the needs of a 15- to 20-percent cash reserve as it's too significant of an increase. Commissioners indicated their support for raising the levy three or four percent to match inflation and could consider keeping the tax impact to the average residential household the same as it was in 2024 since the tax capacity and valuations have risen.

Commissioner Slavik asked staff if they could research the possibility of borrowing or loaning funds from Dakota County or other outside sources if the VRWJPO experienced a budget shortfall. Travis indicated they will work with the Commissioners' input to modify the budget to improve the proposed cash reserves, will explore the possibility of borrowing or loaning money, and will report back at the August meeting.

Information only.

10. Staff Reports

Melissa Bokman Ermer

- Indicated she had nothing to report.

Brian Wisdorf

- Received comments from Scott County on the VRWJPO-forming Joint Powers Agreement (JPA) who had concerns regarding indemnification and insurance. He's working with staff to gather more information to respond to those concerns but noted it didn't make sense to have either County Board consider approval of the JPA until staff were able to work through this process and have the Vermillion River Watershed Joint Powers Board review and consider any proposed changes.



Attest

Commissioner

Secretary/ Treasurer

Date



**2024 Vermillion River Watershed Joint Powers Organization
Treasurer's Report
July 2024**

| | <u>Budget Amounts</u> | <u>Expenses to Date</u> | <u>Expenses Pending</u> | <u>Account Balance</u> |
|-------------------------------------------------------------------------------------------------|------------------------|-------------------------|-------------------------|------------------------|
| A. Administration & Operations (601-5010001-00000000) | \$ 230,500.00 | \$ 72,730.30 | \$ 12,904.36 | \$ 144,865.34 |
| B. Research & Planning (601-5010001-50100130) | \$ 78,000.00 | \$ 51,944.89 | \$ 8,083.92 | \$ 17,971.19 |
| C. Monitoring & Assessment (601-5010001-50100230) | \$ 155,750.00 | \$ 34,168.25 | \$ 16,307.60 | \$ 105,274.15 |
| D. Public Communications & Outreach (601-5010001-50100330) | \$ 171,580.00 | \$ 45,852.33 | \$ 44,479.10 | \$ 81,248.57 |
| E. Irrigation and Irrigation Audit (601-5010001-50100431) | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 |
| F. Regulation (601-5010001-50100530) | \$ 55,930.00 | \$ 26,835.70 | \$ 3,151.33 | \$ 25,942.97 |
| G. Coordination & Collaboration (601-5010001-50100531) | \$ 50,600.00 | \$ 15,986.21 | \$ 2,783.45 | \$ 31,830.34 |
| H. Feasibility/Preliminary Studies (601-5010001-50100631) | \$ 340,000.00 | \$ 45,123.45 | \$ 10,163.75 | \$ 284,712.80 |
| I. Capital Improvement Projects (601-5020001-50200130) | \$ 394,500.00 | \$ 46,297.08 | \$ 3,237.22 | \$ 344,965.70 |
| J. Lakeville East Lake Restoration (601-5010001-50100858) | \$ - | \$ - | \$ - | \$ - |
| K. CWF Comp Grant (BWSR) Foxborough TSS (601-5010001-50100859) | \$ 26,500.00 | \$ - | \$ - | \$ 26,500.00 |
| L. CWF Comp Grant (BWSR) Ravenna Trail (601-5010001-50100860) | \$ 27,500.00 | \$ 5,148.10 | \$ 242.19 | \$ 22,109.71 |
| M. 2022-2023 WBIF Grant (BWSR) Middle Creek (601-5010001-50100861) | \$ 21,000.00 | \$ 757.10 | \$ - | \$ 20,242.90 |
| N. 2023 CWF Competitive Grant (BWSR) East Lake (601-5010001-50100863) | \$ 127,500.00 | \$ 5,290.73 | \$ 1,634.99 | \$ 120,574.28 |
| O. 2022-2025 WBIF Grant (BWSR) Alimagnet Alum PPM 2000304 (601-5010001-50100864) | \$ 200,500.00 | \$ 7,807.05 | \$ 8,001.64 | \$ 184,691.31 |
| P. Lakeville Capital Projects 24-02 and 24-20 Cost Share (601-501001-50100865) | \$ 370,000.00 | \$ - | \$ - | \$ 370,000.00 |
| Q. Rosemount Campus Infiltration Basins (601-5010001-50100866) | \$ 25,000.00 | \$ - | \$ - | \$ 25,000.00 |
| R. 2024 CWF Competitive Grant (MDH) Water Conservation and LCW Marketing (601-5010001-50100867) | \$ 62,500.00 | \$ - | \$ - | \$ 62,500.00 |
| S. Wetland Bank (601-5010001-50100930) | \$ 406,800.00 | \$ - | \$ - | \$ 406,800.00 |
| VRW JPO Revised Budget Expense TOTAL | \$ 2,749,160.00 | \$ 357,941.19 | \$ 110,989.55 | \$ 2,280,229.26 |

Budget Funding Sources

| | |
|-------------------------------------------------|-----------------------|
| Wetland Bank | \$406,800.00 |
| CIP Reserve | \$664,623.00 |
| CIP Reserve Grant Match | \$21,500.00 |
| Fund Balance from Underspending in Previous Yea | \$672,000.00 |
| CWF Grant (BWSR) Competitive 2022 | \$420,750.00 |
| CWF Grant (BWSR) Competitive 2023 | \$150,000.00 |
| CWF Grant WBIF (BWSR) 2022-2025 | \$198,000.00 |
| CPL Grant (DNR) 2022-2025 | \$0.00 |
| CWF Grant (BWSR) Competitive 2024 | \$143,500.00 |
| CWF Grant (MDH) Competitive 2024 | \$50,000.00 |
| Partner Match for MDH CWF Grant | \$15,000.00 |
| Fee's on Permitting Activities | \$1,000.00 |
| Dakota County Levy | \$965,600.00 |
| Scott County Levy | \$34,400.00 |
| Investment Earnings | \$14,000.00 |
| Total | \$3,757,173.00 |



Vermillion River Watershed Joint Powers Organization

4100 220th St. W., Suite 103, Farmington, MN 55024

July 2024 Expense Report

The invoices submitted between June 1, 2024 and June 30, 2024 total: \$46,678.92

The invoices submitted between July1, 2024 and July 31, 2024 total:

| <u>Invoice</u> | <u>Vendor</u> | | <u>Amount</u> |
|--------------------------|-------------------------------------|----|----------------------|
| | JULY 2024 STAFF TIME | \$ | 38,936.50 |
| | DC LEGAL | \$ | 1,557.38 |
| 24-163008 | 144DESIGN INC | \$ | 150.00 |
| 23191497.01-2 | BARR ENGINEERING CO | \$ | 6,868.75 |
| 000006 | CARP SOLUTIONS LLC | \$ | 780.00 |
| 3399 | DC Soil and Water Conservation | \$ | 53,455.74 |
| 023-048-8 | HOISINGTON KOEGLER GROUP INC (HKGI) | \$ | 1,747.50 |
| 39432 | MOORE ENGINEERING INC | \$ | 1,715.00 |
| 39433 | MOORE ENGINEERING INC | \$ | 2,058.75 |
| 2253513 | STANTEC CONSULTING SERVICES INC | \$ | 444.25 |
| 79516 | THE JOURNAL | \$ | 262.19 |
| 91176881 | US DEPT OF THE INTERIOR (USGS) | \$ | 2,213.50 |
| 7/5/24 | WASHINGTON COUNTY MN-TREASURER | \$ | 600.00 |
| PCARD/PURCHASING | REOLINK CAMERA | \$ | 199.99 |
| Total Expenses \$ | | | 110,989.55 |

Action Requested: Approval of all expenses as presented

8a. Public Hearing to Receive Comments on and Adoption of the Draft Vermillion River Watershed Joint Powers Organization 2025 Budget and Watershed Management Tax District Levy

Meeting Date: 8/22/2024
Item Type: Regular-Action
Contact: Travis Thiel
Telephone: 952-891-7546
Prepared by: Travis Thiel

**PURPOSE/ACTION REQUESTED**

- Public hearing to receive comments on and adoption of the draft Vermillion River Watershed Joint Powers Organization (VRWJPO) 2025 budget and Watershed Management Tax District levy

SUMMARY

The proposed draft VRWJPO 2025 budget (included as Attachment A) is \$3,628,182 including cash reserves, Clean Water Fund Watershed Based Implementation Funding grant, Clean Water Fund Competitive grant, BWSR wetland bank revenue, and the Watershed Management Tax District levy. The draft VRWJPO 2025 budget recommends a Watershed Management Tax District Levy of \$1,026,882; \$36,050 in the Scott County portion of the watershed and \$990,832 in the Dakota County portion of the watershed. This amount represents a slight increase in the overall Watershed Management Tax District levy compared to 2024 but results in no change in tax impact for the average residential property compared to 2024. The draft budget reflects recommendations from VRWJPO staff and partners and items from the implementation section of the Vermillion River Watershed Management Plan.

An approved draft VRWJPO 2025 budget will remain “draft” until such time as the Vermillion River Watershed Joint Powers Board adopts a final VRWJPO 2025 budget and Dakota County and Scott County Boards certify the final Watershed Management Tax District levy in December of 2024.

EXPLANATION OF FISCAL/FTE IMPACT

The proposed draft VRWJPO 2025 budget is \$3,628,182 with recommended Watershed Management Tax District Levy of \$1,026,882; \$36,050 in the Scott County portion of the watershed and \$990,832 in the Dakota County portion of the watershed.

Supporting Documents:

Attachment A: Draft VRWJPO 2025 Budget

Attachment B: Vermillion River Watershed Tax District Estimated 2025 Taxes DC

Attachment C: 2025 Vermillion WMO Impact SC

Previous Board Action(s):**RESOLUTION****8a. Adopt the Draft Vermillion River Watershed Joint Powers Organization 2025 Budget and Watershed Management Tax District Levy**

WHEREAS, the Vermillion River Watershed Joint Powers Organization requires a budget and the subsequent levy to implement the programs and projects described in its Watershed Management Plan; and

WHEREAS, the Vermillion River Watershed Planning Commission has reviewed and recommended the adoption of the proposed draft VRWJPO 2025 budget and Watershed Management Tax District levy, and

WHEREAS, the Vermillion River Watershed Joint Powers Board has reviewed and discussed the draft VRWJPO 2025 budget and Vermillion River Watershed Management Tax District levy.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Joint Powers Board hereby adopts the draft VRWJPO 2025 budget totaling \$3,628,182 and recommends a Vermillion River Watershed Management Tax District Levy of \$1,026,882; \$36,050 in the Scott County portion of the watershed and \$990,832 in the Dakota County portion of the watershed.

VRWJPO DRAFT 2025 Budget (8-12-24)

EXPENSES

| Budget Category | Budget Activity | Operations and Programs | CIP | Budget Total |
|------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------|-----|--------------|
| Administration and Operations | | | | |
| | Dakota County VRW Staff | \$182,500 | | \$182,500 |
| | Scott County VRW Staff | \$15,000 | | \$15,000 |
| | Legal Support | \$25,000 | | \$25,000 |
| | Miscellaneous Expenses (per diems, mileage, postage, etc.) | \$6,000 | | \$6,000 |
| | Training, Conferences, and Certifications | \$2,000 | | \$2,000 |
| Research and Planning | | | | |
| | Dakota SWCD Incentive Program Policy Assistance | \$1,000 | | \$1,000 |
| | Scott County Staff | \$7,000 | | \$7,000 |
| | VRW Staff | \$40,000 | | \$40,000 |
| Monitoring and Assessment | | | | |
| | Monitoring | \$100,000 | | \$100,000 |
| | USGS and DNR Flow Gaging | \$18,600 | | \$18,600 |
| | VRW Staff | \$15,000 | | \$15,000 |
| | General GIS support (Dakota SWCD) | \$5,000 | | \$5,000 |
| | Equipment/Supplies | \$1,000 | | \$1,000 |
| Public Communications and Outreach | | | | |
| | VRW Staff | \$100,000 | | \$100,000 |
| | Dakota SWCD Outreach and Education | \$46,000 | | \$46,000 |
| | Scott County SWCD Outreach and Education | \$2,080 | | \$2,080 |
| | Communication and Outreach Materials and Supplies | \$20,000 | | \$20,000 |
| | Local Standards/Ordinance and Turf/Salt Workshops | \$3,500 | | \$3,500 |
| Regulation | | | | |
| | Scott SWCD Assistance with Plan Review | \$930 | | \$930 |
| | VRW Staff-Permitting, Standards Assistance, Engineering/Environmental Review | \$25,000 | | \$25,000 |
| Coordination and Collaboration | | | | |
| | VRW Staff Coordination with other Organizatoins | \$30,000 | | \$30,000 |
| | Children's Water Festival Support | \$600 | | \$600 |
| | Watershed Partners | \$5,000 | | \$5,000 |
| Land and Water Treatment | | | | |
| Feasibility/Preliminary Studies | | | | |
| | Preliminary Design, Technical Assistance and Marketing for Capital Improvements (Dakota SWCD) | \$40,000 | | \$40,000 |
| | Preliminary Design, Technical Assistance and Marketing for Capital Improvements | \$150,000 | | \$150,000 |
| Wetland Bank Credit Sales | | | | |
| | Braun Wetland Bank Credit Sales | \$280,000 | | \$280,000 |

| | | | | |
|-------------------------------------------|------------------------------------------------------------------|--------------------|--------------------|--------------------|
| General Capital Projects Cost Share | | | | |
| | Cost Share Programs in Dakota County (SWCD) | | \$80,000 | \$80,000 |
| | Cost Share Programs in Scott County (SWCD) | | \$50,000 | \$50,000 |
| | VRW General Cost-share or Misc. Grant Match | | \$670,000 | \$670,000 |
| | Past projects maintenance/repair | | \$50,000 | \$50,000 |
| | VRW staff construction oversight and grant development and admin | | \$40,000 | \$40,000 |
| | | | | |
| FY23 CWF East Lake Fish Barrier | | | | |
| | East Lake Fish Barrier | | \$0 | \$0 |
| | VRWJPO cash match | | \$15,000 | \$15,000 |
| | | | | |
| FY24 CWF Alimagnet Alum Treatment | | | | |
| | Alimagnet Alum Treatment | | \$0 | \$0 |
| | VRWJPO cash match | | \$15,230 | \$15,230 |
| | | | | |
| Cedar Ave/Launch Park Wetland Restoration | | | | |
| | VRWJPO cost share | | \$50,000 | \$50,000 |
| | | | | |
| Mork Wetland Bank | | | | |
| | Mork Wetland Bank Easment & Construction | | \$1,200,000 | \$1,200,000 |
| | | | | |
| Subtotal of Expenditures | | \$1,121,210 | \$2,170,230 | \$3,291,440 |
| | | | | |
| Cash Reserve | | | 9% | \$336,742 |
| | | | | |
| TOTAL Annual Expenses | | | | \$3,628,182 |
| | | | | |
| REVENUES | | | | |
| Wetland Bank Credit Revenue | | | | \$280,000 |
| Wetland Bank Revolving Fund Transfer | | | | \$406,800 |
| BWSR Wetland Bank (Mork) Revenue | | | | \$400,000 |
| CIP Carryover | | | | \$850,000 |
| Operational and Program Carryover | | | | \$325,000 |
| Grant Revenue | | | | \$288,500 |
| Fees for Permitting Activities | | | | \$1,000 |
| Dakota County Levy | | | | \$990,832 |
| Scott County Levy | | | | \$36,050 |
| Investment Earnings | | | | \$50,000 |
| | | | | |
| Total Revenues | | | | \$3,628,182 |

8a. Attachment B - DC Vermillion
River Watershed Tax Impact

Vermillion River Watershed Management Tax District
Estimated Pay 2025 Taxes * (Dakota County)

Residential Property

| Market | Tax | Proposed 2025 Levy | | | | | | | | | | 2024 Actual | 2023 Actual | 2022 Actual | 2021 Actual | 2020 Actual | 2019 Actual | 2018 Actual | 2017 Actual | 2016 Actual | 2015 Actual | 2014 Actual |
|----------------|----------|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Value | Capacity | \$300,000 | \$400,000 | \$500,000 | \$750,000 | \$965,600 | \$966,330 | \$990,832 | \$1,000,000 | \$1,250,000 | \$1,500,000 | \$965,600 | \$964,900 | \$967,500 | \$966,650 | \$966,000 | \$912,900 | \$887,900 | \$861,700 | \$821,140 | \$817,500 | \$858,900 |
| Rate | | 0.0600% | 0.0910% | 0.1210% | 0.1970% | 0.262% | 0.2630% | 0.2701% | 0.2730% | 0.3490% | 0.4250% | 0.2703% | 0.2870% | 0.3470% | 0.3480% | 0.3990% | 0.4030% | 0.4290% | 0.4490% | 0.4490% | 0.4660% | 0.5450% |
| Various Values | | | | | | | | | | | | | | | | | | | | | | |
| \$150,000 | 1,170 | \$0.70 | \$1.06 | \$1.42 | \$2.30 | \$3.06 | \$3.08 | \$3.16 | \$3.19 | \$4.08 | \$4.97 | \$3.16 | \$3.62 | \$4.06 | \$4.07 | \$4.67 | \$4.71 | \$5.02 | \$5.25 | \$5.25 | \$5.45 | \$6.37 |
| \$170,000 | 1,388 | \$0.83 | \$1.26 | \$1.68 | \$2.73 | \$3.64 | \$3.65 | \$3.75 | \$3.79 | \$4.84 | \$5.90 | \$3.75 | \$4.25 | \$4.81 | \$4.83 | \$5.54 | \$5.59 | \$5.95 | \$6.23 | \$6.23 | \$6.47 | \$7.56 |
| \$185,000 | 1,551 | \$0.93 | \$1.41 | \$1.88 | \$3.06 | \$4.06 | \$4.08 | \$4.19 | \$4.23 | \$5.41 | \$6.59 | \$4.19 | \$4.72 | \$5.38 | \$5.40 | \$6.19 | \$6.25 | \$6.65 | \$6.96 | \$6.96 | \$7.23 | \$8.45 |
| \$190,000 | 1,606 | \$0.96 | \$1.46 | \$1.94 | \$3.16 | \$4.21 | \$4.22 | \$4.34 | \$4.38 | \$5.60 | \$6.82 | \$4.34 | \$4.87 | \$5.57 | \$5.59 | \$6.41 | \$6.47 | \$6.89 | \$7.21 | \$7.21 | \$7.48 | \$8.75 |
| \$200,000 | 1,715 | \$1.03 | \$1.56 | \$2.07 | \$3.38 | \$4.49 | \$4.51 | \$4.63 | \$4.68 | \$5.98 | \$7.29 | \$4.63 | \$5.19 | \$5.95 | \$5.97 | \$6.84 | \$6.91 | \$7.36 | \$7.70 | \$7.70 | \$7.99 | \$9.34 |
| \$210,000 | 1,824 | \$1.09 | \$1.66 | \$2.21 | \$3.59 | \$4.78 | \$4.80 | \$4.93 | \$4.98 | \$6.36 | \$7.75 | \$4.93 | \$5.50 | \$6.33 | \$6.35 | \$7.28 | \$7.35 | \$7.82 | \$8.19 | \$8.19 | \$8.50 | \$9.94 |
| \$225,000 | 1,987 | \$1.19 | \$1.81 | \$2.40 | \$3.91 | \$5.21 | \$5.23 | \$5.37 | \$5.42 | \$6.93 | \$8.44 | \$5.37 | \$5.97 | \$6.89 | \$6.91 | \$7.93 | \$8.01 | \$8.52 | \$8.92 | \$8.92 | \$9.26 | \$10.83 |
| \$250,000 | 2,260 | \$1.36 | \$2.06 | \$2.73 | \$4.45 | \$5.92 | \$5.94 | \$6.10 | \$6.17 | \$7.89 | \$9.60 | \$6.11 | \$6.75 | \$7.84 | \$7.86 | \$9.02 | \$9.11 | \$9.69 | \$10.15 | \$10.15 | \$10.53 | \$12.31 |
| \$275,000 | 2,532 | \$1.52 | \$2.30 | \$3.06 | \$4.99 | \$6.63 | \$6.66 | \$6.84 | \$6.91 | \$8.84 | \$10.76 | \$6.84 | \$7.53 | \$8.79 | \$8.81 | \$10.10 | \$10.20 | \$10.86 | \$11.37 | \$11.37 | \$11.80 | \$13.80 |
| \$290,000 | 2,696 | \$1.62 | \$2.45 | \$3.26 | \$5.31 | \$7.06 | \$7.09 | \$7.28 | \$7.36 | \$9.41 | \$11.46 | \$7.29 | \$8.00 | \$9.35 | \$9.38 | \$10.76 | \$10.86 | \$11.56 | \$12.10 | \$12.10 | \$12.56 | \$14.69 |
| \$300,000 | 2,805 | \$1.68 | \$2.55 | \$3.39 | \$5.52 | \$7.35 | \$7.38 | \$7.57 | \$7.66 | \$9.79 | \$11.92 | \$7.58 | \$8.32 | \$9.73 | \$9.76 | \$11.19 | \$11.30 | \$12.03 | \$12.59 | \$12.59 | \$13.07 | \$15.28 |
| \$372,000 | 3,589 | \$2.15 | \$3.27 | \$4.34 | \$7.07 | \$9.40 | \$9.44 | \$9.69 | \$9.80 | \$12.53 | \$15.25 | \$9.70 | \$10.57 | \$12.45 | \$12.49 | \$14.32 | \$14.46 | \$15.40 | \$16.12 | \$16.12 | \$16.73 | \$19.56 |
| \$372,300 | 3,593 | \$2.16 | \$3.27 | \$4.35 | \$7.08 | \$9.41 | \$9.45 | \$9.70 | \$9.81 | \$12.54 | \$15.27 | \$9.71 | \$10.58 | \$12.47 | \$12.50 | \$14.33 | \$14.48 | \$15.41 | \$16.13 | \$16.13 | \$16.74 | \$19.58 |
| \$375,000 | 3,622 | \$2.17 | \$3.30 | \$4.38 | \$7.14 | \$9.49 | \$9.53 | \$9.78 | \$9.89 | \$12.64 | \$15.39 | \$9.79 | \$10.66 | \$12.57 | \$12.60 | \$14.45 | \$14.60 | \$15.54 | \$16.26 | \$16.26 | \$16.88 | \$19.74 |
| \$400,000 | 3,895 | \$2.34 | \$3.54 | \$4.71 | \$7.67 | \$10.20 | \$10.24 | \$10.52 | \$10.63 | \$13.59 | \$16.55 | \$10.53 | \$11.44 | \$13.51 | \$13.55 | \$15.54 | \$15.69 | \$16.71 | \$17.49 | \$17.49 | \$18.15 | \$21.23 |
| \$425,000 | 4,167 | \$2.50 | \$3.79 | \$5.04 | \$8.21 | \$10.92 | \$10.96 | \$11.26 | \$11.38 | \$14.54 | \$17.71 | \$11.26 | \$12.23 | \$14.46 | \$14.50 | \$16.63 | \$16.79 | \$17.88 | \$18.71 | \$18.71 | \$19.42 | \$22.71 |
| \$450,000 | 4,440 | \$2.66 | \$4.04 | \$5.37 | \$8.75 | \$11.63 | \$11.68 | \$11.99 | \$12.12 | \$15.49 | \$18.87 | \$12.00 | \$13.01 | \$15.41 | \$15.45 | \$17.71 | \$17.89 | \$19.05 | \$19.93 | \$19.93 | \$20.69 | \$24.20 |
| \$475,000 | 4,712 | \$2.83 | \$4.29 | \$5.70 | \$9.28 | \$12.35 | \$12.39 | \$12.73 | \$12.86 | \$16.44 | \$20.03 | \$12.74 | \$13.79 | \$16.35 | \$16.40 | \$18.80 | \$18.99 | \$20.21 | \$21.16 | \$21.16 | \$21.96 | \$25.68 |
| \$500,000 | 4,985 | \$2.99 | \$4.54 | \$6.03 | \$9.82 | \$13.06 | \$13.11 | \$13.46 | \$13.61 | \$17.40 | \$21.18 | \$13.47 | \$14.57 | \$17.30 | \$17.35 | \$19.89 | \$20.09 | \$21.38 | \$22.38 | \$22.38 | \$23.23 | \$27.17 |

| | | |
|-----------------------------------------|--------------|---------------|
| Preliminry Net TCAP | | 329,579,900 |
| 2024 | Median Value | \$372,000 |
| 2025 | Median Value | \$372,300 |
| Percent Change | | 0.08% |
| Pay 2023 Fiscal Disparity Distribution: | | \$ 100,637.00 |

Pay Year 2025
*Date 7/10/2024
*The preliminary data is subject to change.

WHAT IF TAX COMPARISON PAY 2024 vs Pay 2025

| FISCAL YEAR 2024 | | | |
|--------------------------------|--|-----------------|----------------------------------------|
| 12,053,343 GROSS TAX CAPACITY | | \$ | 34,400 FINAL CERTIFIED LEVY |
| (10,416) 10% KV TRANS LINE (-) | | | |
| (588,400) FISCAL DISPARITY (-) | | \$ | (2,443) FISCAL DISPARITY (-) |
| 11,454,527 NET TAX CAPACITY | | \$ | 31,957 TAX LEVY OR SPREAD LEVY |
| Tax Rate | | 0.279% | |
| FISCAL YEAR 2025 | | | |
| 13,167,900 GROSS TAX CAPACITY | | \$ | 36,050 PROPOSED LEVY OR CERTIFIED LEVY |
| (10,416) 10% KV TRANS LINE (-) | | | |
| (757,879) FISCAL DISPARITY (-) | | \$ | (2,443) FISCAL DISPARITY (-) |
| 12,399,605 NET TAX CAPACITY | | \$ | 33,607 TAX LEVY OR SPREAD LEVY |
| as of 6/25/2024 | | Tax Rate 0.271% | |

RESIDENTIAL IMPACTS

| RESIDENTIAL IMPACTS | | | | | | | | | | Pay 2024 | Pay 2025 | | | Median & Average Values | | | |
|----------------------------|--------------------------|-----------------------------|---------------------------------|---------------------------------|----------------------------|---------------------------------|----------------------------|---------------------------------|------------------------------|------------------------|------------------------|--------------------------------|-------------------------------|--------------------------|--------------------------|---------------------------|---------------------------|
| | % Value Range Inc/Dec | # of affected Properties | Average Market Value 2024 | Average Market Value 2025 | Value Exclusion 2024 | Taxable Market Value 2024 | Value Exclusion 2025 | Taxable Market Value 2025 | Taxable % Chg 2024 - 2025 | Net Payable 2024 | Net Payable 2025 | Net Inc/Dec 2024 vs 2025 | Net Difference % Change | 2024 Median Values | 2025 Median Values | 2025 Average Values | 2025 Value % Change |
| Elko New Mrkt City 1630 | +15.01+% | 25 | \$ 397,109 | \$ 456,675 | \$ 1,500 | \$ 395,609 | \$ 5,449 | \$ 451,226 | 14.06% | \$ 11.04 | \$ 12.23 | \$ 1.19 | 10.8% | \$ 401,500 | \$ 396,000 | \$ 393,524 | -1.4% |
| | +10.01-15.00% | 0 | \$ 397,109 | \$ 446,748 | \$ 1,500 | \$ 395,609 | \$ 6,343 | \$ 440,405 | 11.32% | \$ 11.04 | \$ 11.94 | \$ 0.90 | 8.1% | | | | |
| | +5.01-10.00% | 6 | \$ 397,109 | \$ 426,892 | \$ 1,500 | \$ 395,609 | \$ 8,130 | \$ 418,762 | 5.85% | \$ 11.04 | \$ 11.35 | \$ 0.31 | 2.8% | | | | |
| | +0.01-5.00% | 201 | \$ 397,109 | \$ 407,037 | \$ 1,500 | \$ 395,609 | \$ 9,917 | \$ 397,120 | 0.38% | \$ 11.04 | \$ 10.76 | \$ (0.27) | -2.5% | | | | |
| | No Change | 14 | \$ 397,109 | \$ 397,109 | \$ 1,500 | \$ 395,609 | \$ 10,810 | \$ 386,299 | -2.35% | \$ 11.04 | \$ 10.47 | \$ (0.57) | -5.1% | | | | |
| | -0.01-5.00% | 1102 | \$ 397,109 | \$ 387,181 | \$ 1,500 | \$ 395,609 | \$ 11,704 | \$ 375,478 | -5.09% | \$ 11.04 | \$ 10.18 | \$ (0.86) | -7.8% | | | | |
| | -5.01-10% | 282 | \$ 397,109 | \$ 367,326 | \$ 1,500 | \$ 395,609 | \$ 13,491 | \$ 353,835 | -10.56% | \$ 11.04 | \$ 9.59 | \$ (1.45) | -13.1% | | | | |
| | -10.01-15% | 0 | \$ 397,109 | \$ 347,470 | \$ 1,500 | \$ 395,609 | \$ 15,278 | \$ 332,193 | -16.03% | \$ 11.04 | \$ 9.00 | \$ (2.03) | -18.4% | | | | |
| -15.01+ | 0 | \$ 397,109 | \$ 337,543 | \$ 1,500 | \$ 395,609 | \$ 16,171 | \$ 321,371 | -18.77% | \$ 11.04 | \$ 8.71 | \$ (2.33) | -21.1% | | | | | |
| New Market Twp 1167 | +15.01+% | 27 | \$ 623,831 | \$ 717,406 | \$ - | \$ 623,831 | \$ - | \$ 717,406 | 15.00% | \$ 18.27 | \$ 20.92 | \$ 2.65 | 14.5% | \$ 598,300 | \$ 615,900 | \$ 644,240 | 2.9% |
| | +10.01-15.00% | 25 | \$ 623,831 | \$ 701,810 | \$ - | \$ 623,831 | \$ - | \$ 701,810 | 12.50% | \$ 18.27 | \$ 20.39 | \$ 2.12 | 11.6% | | | | |
| | +5.01-10.00% | 483 | \$ 623,831 | \$ 670,618 | \$ - | \$ 623,831 | \$ - | \$ 670,618 | 7.50% | \$ 18.27 | \$ 19.33 | \$ 1.06 | 5.8% | | | | |
| | +0.01-5.00% | 229 | \$ 623,831 | \$ 639,427 | \$ - | \$ 623,831 | \$ - | \$ 639,427 | 2.50% | \$ 18.27 | \$ 18.28 | \$ 0.01 | 0.0% | | | | |
| | No Change | 4 | \$ 623,831 | \$ 623,831 | \$ - | \$ 623,831 | \$ - | \$ 623,831 | 0.00% | \$ 18.27 | \$ 17.75 | \$ (0.52) | -2.9% | | | | |
| | -0.01-5.00% | 342 | \$ 623,831 | \$ 608,235 | \$ - | \$ 623,831 | \$ - | \$ 608,235 | -2.50% | \$ 18.27 | \$ 17.22 | \$ (1.05) | -5.7% | | | | |
| | -5.01-10% | 50 | \$ 623,831 | \$ 577,044 | \$ - | \$ 623,831 | \$ - | \$ 577,044 | -7.50% | \$ 18.27 | \$ 16.16 | \$ (2.11) | -11.5% | | | | |
| | -10.01-15% | 5 | \$ 623,831 | \$ 545,852 | \$ - | \$ 623,831 | \$ - | \$ 545,852 | -12.50% | \$ 18.27 | \$ 15.11 | \$ (3.16) | -17.3% | | | | |
| -15.01+ | 2 | \$ 623,831 | \$ 530,256 | \$ - | \$ 623,831 | \$ - | \$ 530,256 | -15.00% | \$ 18.27 | \$ 14.58 | \$ (3.69) | -20.2% | | | | | |
| County Wide | | 47,448 | \$ 437,839 | \$ 456,254 | \$ - | \$ 437,839 | \$ 5,487 | \$ 450,767 | 2.95% | \$ 12.22 | \$ 12.22 | \$ 0.00 | 0.016% | \$ 388,800 | \$ 403,500 | \$ 456,254 | 3.8% |

8b. Authorization to Execute a Joint Powers Agreement with the City of Lakeville and Dakota County for the Launch Park Wetland Restoration Preliminary Engineering Design and Permitting Coordination

Meeting Date: 8/22/2024
Item Type: Regular-Action
Contact: Kelly Perrine
Telephone: 952-891-7002
Prepared by: Kelly Perrine

**PURPOSE/ACTION REQUESTED**

- Authorize execution of a joint powers agreement with the City of Lakeville and Dakota County for preliminary engineering design and permitting coordination in support of the Launch Park wetland restoration

SUMMARY

In 2023, during the 220th Street and Galway Lane extension, the City of Lakeville acquired property previously in agricultural production within the Launch Park Development, adjacent to the road construction area. The property was acquired, and the City identified it as an opportunity to convert it from agricultural production to restore wetlands to reduce sediment loading and attenuate runoff volume in the South Creek Subwatershed. The restoration aligns with the City's Water and Natural Resources Management Plan, as South Creek is included on the EPA's 303d Impaired Waters List for Total Suspended Solids (TSS).

By completing the preliminary engineering design and permitting coordination (Project), Vermillion River Watershed Joint Powers Organization (VRWJPO), City of Lakeville and Dakota County staff will be prepared for the implementation of the Launch Park wetland restoration. In accordance with the Vermillion River Watershed Management Plan, staff have identified the Launch Park wetland restoration as supporting the following Watershed Management Plan goals and actions:

- Goal A, Action 20.a. Prioritize projects that provide multiple benefits, multiple pollutant reductions system-wide improvement, or synergy with other projects
- Goal G, Action 4.b. Target locations where implementing BMPs would effectively reduce sediment loading
- Goal F, Action 6.c. Work with partners to protect and restore wetlands with strategic value in flood protection and pollutant filtration through conservation easements, restoration, revegetation, and other techniques

In addition, the Minnesota Pollution Control Agency regulates all public entities that own or operate a storm sewer conveyance system through the Municipal Separate Storm Sewer System General Permit (MS4 Permit). Dakota County, as a regulated holder of an MS4 Permit, must annually report on activities completed to reduce pollutant loading in accordance with completed Total Maximum Daily Load (TMDL) studies. By partnering to complete design and permitting coordination in support of the future Launch Park wetland restoration, Dakota County will be able to utilize pollutant reduction credits in accordance with their required TMDL Waste Load Allocations.

The City's consultant has submitted a proposal for preliminary engineering and permitting coordination in support of the wetland restoration. Staff are requesting approval of the draft joint powers agreement to develop site plans, specifications, cost estimates and coordinate permitting agency review for future implementation.

EXPLANATION OF FISCAL/FTE IMPACT

The Project will cost \$36,750 total in 2024. Dakota County will contribute \$13,000 towards the Project and the City and the VRWJPO will each contribute \$11,875. The direct impact to the VRWJPO is \$11,875 and would originate from the Feasibility/Preliminary Studies portion of the 2024 VRWJPO Budget.

Supporting Documents:**Previous Board Action(s):**

Attachment A: Draft Joint Powers Agreement Between the VRWJPO, Dakota County and the City of Lakeville for the Launch Park Wetland Restoration Project Preliminary Engineering Design and Permitting Coordination.

RESOLUTION**9b. Authorization to Execute a Joint Powers Agreement with the City of Lakeville and Dakota County for the Launch Park Wetland Restoration Preliminary Engineering Design and Permitting Coordination**

WHEREAS, South Creek is included in the EPA's 303d Impaired Waters List for Total Suspended Solids (TSS); and

WHEREAS, the City of Lakeville acquired land previously in agricultural production and identified an opportunity to convert it to wetland to reduce TSS loading and attenuate runoff volume in the South Creek Subwatershed in accordance with the City's Water and Natural Resources Management Plan; and

WHEREAS, the Vermillion River Watershed Management Plan includes goals and actions that would be addressed by implementing a project that would reduce sediment and attenuate runoff volume; and

WHEREAS, Dakota County must annually report on pollutant reductions achieved by the implementation of BMPs in accordance with their Municipal Separate Storm Sewer System General Permit; and

WHEREAS, implementation of the Launch Park wetland restoration (Project) will result in stormwater runoff volume attenuation as well as total suspended solids pollutant reductions; and

WHEREAS, prior to implementation, preliminary engineering design and permitting coordination in support of the Launch Park Wetland Restoration must be completed; and

WHEREAS, the Vermillion River Watershed Joint Powers Organization, Dakota County, and City have agreed to cooperatively participate in the Project and have funding available in their respective budgets to jointly participate in the costs.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Joint Powers Board authorizes its Chair to execute a Joint Powers Agreement with Dakota County and the City of Lakeville for the Launch Park wetland restoration project preliminary engineering design and permitting coordination.

**JOINT POWERS AGREEMENT
BETWEEN THE VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION,
THE COUNTY OF DAKOTA AND THE CITY OF LAKEVILLE
FOR THE LAUNCH PARK WETLAND RESTORATION PROJECT PRELIMINARY ENGINEERING
DESIGN AND PERMITTING COORDINATION**

WHEREAS, Minn. Stat. § 471.59 authorizes local governmental units to jointly or cooperatively exercise any power common to the contracting parties; and

WHEREAS, the Vermillion River Watershed Joint Powers Organization is a watershed management body consisting of Dakota and Scott Counties (VRWJPO) governed by the Vermillion River Watershed Joint Powers Board (VRWJPB) and is charged with carrying out the duties set forth in Minn. Stat. § 103B.211 to 103B.255 and as otherwise provided by law; and

WHEREAS, the County of Dakota (County) is a governmental and political subdivision of the State of Minnesota; and

WHEREAS, the City of Lakeville (City) is a governmental and political subdivision of the State of Minnesota; and

WHEREAS, South Creek (AUID 07040001-517) is located within the Vermillion River Watershed and Dakota County and is included in the EPA's 303d Impaired Waters List for Total Suspended Solids (TSS); and

WHEREAS, the Vermillion River Watershed Restoration and Protection Strategy (WRAPS) Report includes the implementation of sediment reduction and/or volume reduction Best Management Practices within publicly owned lands in the South Creek subwatershed to reduce TSS loading in the Vermillion River; and

WHEREAS, the Vermillion River Watershed Management Plan includes working with partners to restore wetlands through revegetation for flood protection and pollutant filtration; and

WHEREAS, the City acquired Outlot D, Airlake 70 First Addition (Parcel), previously in agricultural production, that drains to South Creek; and

WHEREAS, prior to City's implementation of sediment reduction and/or volume reduction practices within the Parcel, a wetland restoration design and applicable permitting through State agencies must be completed (Project); and

WHEREAS, the City has entered into a contract with an engineering consultant to provide the wetland restoration design, including construction plans and specifications, and obtain applicable permitting necessary for the Project (City Project 24-60); and

WHEREAS, the total contract amount for the services to be provided by the City's consultant for wetland restoration design and applicable permitting for City Project 24-60 is \$36,750 (Project Cost); and

WHEREAS, the VRWJPO, County, and City have agreed to cooperatively participate in the Project and have funding available in their respective budgets to jointly participate in the Project Cost.

NOW, THEREFORE, in consideration of the mutual promises and benefits that the VRWJPO, County, and City shall derive from this Agreement, the VRWJPO, County, and City hereby enter into this Agreement for the purposes stated herein.

ARTICLE 1 PURPOSE

This Agreement defines the Project responsibilities and Project cost-sharing obligations of the VRWJPO, County, and City.

ARTICLE 2 PARTIES

The parties to this Agreement are the VRWJPO, County, and City.

ARTICLE 3 TERM

This Agreement is effective upon the date of the signatures of the parties to this Agreement and shall remain in effect until December 31, 2025, or until completion by the parties of their respective obligations under this Agreement, whichever occurs first, unless earlier terminated by law or according to the provisions of this Agreement.

ARTICLE 4 COOPERATION

The VRWJPO, County, and City agree to cooperate and use their reasonable efforts to ensure prompt implementation of the various provisions of this Agreement and to, in good faith, undertake resolution of any dispute in an equitable and timely manner.

ARTICLE 5 PROJECT PLANS

The City is the lead agency for administration of the Project, effective upon execution of this Agreement by all parties. The VRWJPO, County, and City shall approve all wetland restoration design plans and specifications (Project Plans) provided pursuant to the Project prior to any restoration activities occurring on the Parcel.

ARTICLE 6 PAYMENT

6.1 The parties shall make the following contributions toward the Project Cost in accordance with the following payment schedule in consideration of the benefit provided by restoration activities on the Parcel in accordance with the Project Plans. The City will administer the consultant contract for the Project and act as the paying agent for all payments to the consultant.

6.1.1 The County, by and through its Environmental Resources Department, shall contribute \$13,000 toward the Project Cost.

6.1.2 The City shall contribute \$11,875 toward the Project Cost.

6.1.3 The VRWJPO shall contribute \$11,875 toward the Project Cost.

6.2 The City's maximum eligible reimbursement is up to \$24,875 when accounting for the VRWJPO and County contributions.

6.3 No payment shall be made prior to approval of the Project Plans by the VRWJPO, County, and City, and execution of this Agreement.

6.4 The VRWJPO and County shall pay the City their share of the Project Cost on a reimbursement basis up to the maximum amounts identified in Sections 6.1.1 and 6.1.3. The City shall invoice the County and VRWJPO for their share of Project Costs once the Project Plans are approved by the parties. The VRWJPO and County shall make payment to the City within thirty-five (35) days of receipt of an invoice from the City provided the invoice shall be supported by itemized Project receipts and invoices from the City's contracted consultant.

6.5 The VRWJPO and County may refuse to pay an invoice for services or fees not specifically authorized by this Agreement. Payment of an invoice shall not preclude the VRWJPO and County from questioning the propriety of the claimed services or fees. The VRWJPO and County reserve the right to be repaid for any overpayment or disallowed claimed services or fees.

ARTICLE 7 OBLIGATIONS

7.1 AUTHORIZED PURPOSE. The funds provided under the terms of this Agreement may only be used by the City for the payment of costs directly related to the Project.

7.2 CONTENT REQUIREMENTS. The Project shall be carried out according to the objectives outlined in the City's contract with its consultant. The VRWJPO, County, and City shall approve any modifications to the scope of the Project.

7.3 COMPLIANCE WITH LAWS/STANDARDS. The City shall abide by all federal, state, or local laws, statutes, ordinances, rules, and regulations in executing the Project.

ARTICLE 8 INDEMNIFICATION

Each party to this Agreement shall be liable for the acts of its officers, employees or agents and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other parties, or officers, employees or agents or the other parties. The City agrees to defend, indemnify, and hold harmless the County and VRWJPO against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement for which the City is responsible, including negligent acts or omissions of the City and/or those of City employees or agents. All Parties to this Agreement recognize that liability for any claims arising under this Agreement are subject to the provisions of the Minnesota Municipal Tort Claims Law; Minnesota Statutes, Chapter 466. The City warrants that it can comply with the aforementioned indemnity requirements through an insurance or self-insurance program and that it has minimum coverage consistent with liability limits contained in Minn. Stat. Ch. 466. In the event of any claims or actions filed against any party, nothing in this Agreement shall be construed to allow a claimant to obtain separate judgments or separate liability caps from the individual parties. This section shall survive the expiration or termination of this Agreement.

ARTICLE 9 AUTHORIZED REPRESENTATIVES AND LIAISONS

9.1 AUTHORIZED REPRESENTATIVES. The following named persons are designated the authorized representatives of the parties for this Agreement. These persons have authority to bind the party they represent and to consent to modifications, except that the authorized representative shall have only the authority specifically or generally granted by their respective governing boards. Notice required to be provided pursuant to this Agreement shall be made to the following named persons and addresses unless otherwise stated in this Agreement, or an amendment of this Agreement:

TO THE VRWJPO: Mike Slavik or successor, Chair
Vermillion River Watershed Joint Powers Organization
4100 220th St. W #103
Farmington, MN 55024

Telephone: (651) 438-4427
mike.slavik@co.dakota.mn.us

TO THE COUNTY: Joe Atkins, Chair, or successor
Dakota County Board of Commissioners
1590 Highway 55
Hastings, MN 55033
Telephone: (651) 438-4430
joe.atkins@co.dakota.mn.us

TO THE CITY: Justin Miller, City Administrator, or successor
City of Lakeville
20195 Holyoke Avenue
Lakeville, MN 55044
Telephone: (952) 985-4400
jmiller@lakevillemn.gov

In addition, notification to the VRWJPO and County regarding termination of this Agreement by the City shall be provided to the Office of the Dakota County Attorney, Civil Division, 1560 Highway 55, Hastings, MN 55033.

9.2 LIAISONS. To assist the parties in the day-to-day performance of this Agreement and to ensure compliance and provide ongoing consultation, a liaison shall be designated by the VRWJPO, County and City. The VRWJPO, County, and City shall keep each other continually informed, in writing, of any change in the designated liaison. At the time of execution of this Agreement, the following persons are the designated liaisons:

VRWJPO Liaison: Kelly Perrine
Senior Watershed Specialist
Telephone: (952) 891-7002
Email: kelly.perrine@co.dakota.mn.us

County Liaison: Cole Johnson
Water Resources Project Supervisor
Telephone: (952) 891-7539
Email: cole.johnson@co.dakota.mn.us

City Liaison: McKenzie Cafferty
Environmental Resources Manager
Telephone: (952) 985-4520
Email: mcafferty@lakevillemn.gov

ARTICLE 10 MODIFICATIONS

Any alterations, variations, modifications, or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, approved by the parties' respective Boards, or as delegated by the parties' respective Boards, and signed by the Authorized Representatives, or delegated authority, of the VRWJPO, County, and City.

ARTICLE 11 TERMINATION

11.1 IN GENERAL. Any party may terminate this Agreement for cause by giving seven days' written notice or without cause by giving 30 days' written notice of its intent to terminate, to the other parties. Such notice to terminate for cause shall specify the circumstances warranting termination of the Agreement. Cause shall mean a material breach of this Agreement and any supplemental agreements or amendments

thereto. This Agreement may also be terminated by any of the parties in the event of a default by one party. Notice of Termination shall be made by certified mail or personal delivery to the authorized representative of the other parties. Termination of this Agreement shall not discharge any liability, responsibility or right of any party, which arises from the performance of or failure to adequately perform the terms of this Agreement prior to the effective date of termination.

11.2 TERMINATION FOR LACK OF FUNDING. Notwithstanding any provision of this Agreement to the contrary, the VRWJPO, County, or City may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, Minnesota Agencies, or other funding sources, or if it's funding cannot be continued at a level sufficient to allow payment of the amounts due under this Agreement. The terminating body shall remain obligated to pay for any invoices received prior to any parties' receipt of written notice of termination for lack of funding. The remaining parties shall determine by majority vote whether to continue this Agreement upon receipt of termination pursuant to this Section 11.2.

ARTICLE 12 MINNESOTA LAW TO GOVERN

This Agreement shall be governed by and construed under the substantive and procedural laws of the State of Minnesota, without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Dakota, State of Minnesota. This section shall survive the expiration or termination of this Agreement.

ARTICLE 13 MERGER

This Agreement is the final expression of the agreement of the parties and the complete and exclusive statement of the terms agreed upon and shall supersede all prior negotiations, understandings, or agreements.

ARTICLE 14 SEVERABILITY

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts that are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to any party.

ARTICLE 15 GOVERNMENT DATA PRACTICES

The VRWJPO, County, and must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided, created, collected, received, stored, used, maintained, or disseminated under this Agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the VRWJPO, County or City.

ARTICLE 16 SURVIVABILITY

The provisions of Article 8 (Indemnification) and Article 15 (Government Data Practices) survive the expiration or termination of this Agreement.

ARTICLE 17 DEFAULT: FORCE MAJEURE

No party shall be liable to the other parties for any loss or damage resulting from a delay or failure to perform due to unforeseeable acts or events outside the defaulting party's reasonable control, providing the

defaulting party gives notice to the other parties as soon as possible. Acts and events may include acts of God, acts of terrorism, war fire, flood epidemic, pandemic, acts of civil or military authority, and natural disasters.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date(s) indicated below.

**VERMILLION RIVER WATERSHED
JOINT POWERS ORGANIZATION**

By: _____
Mike Slavik or successor, Chair

Date of Signature: _____

DAKOTA COUNTY

By: _____
Joe Atkins or successor, Chair

Date of Signature: _____

Approved as to form:

Assistant Dakota County Attorney/Date
KS-24-503
VRW Res. No.
County Res. No.

CITY OF LAKEVILLE

By: _____
Luke M. Hellier or successor, Mayor

Date of Signature: _____

By: _____
Ann Orlofsky, City Clerk

Date of Signature: _____

8c. Authorization to Execute a Joint Powers Agreement with the City of Lakeville for Dakota County 50-19 Lake Marion Phosphorus Treatment Project and South Creek Temperature Reduction Project Maintenance and Performance Improvement Engineering

Meeting Date: 8/22/2024
Item Type: Regular-Action
Contact: Kelly Perrine
Telephone: 952-891-7002
Prepared by: Kelly Perrine



PURPOSE/ACTION REQUESTED

- Authorize execution of a joint powers agreement with the City of Lakeville for project maintenance and performance improvement engineering for Dakota County 50-19 Lake Marion Phosphorus Treatment Project and the South Creek Temperature Reduction Project

SUMMARY

In 2017, The Vermillion River Watershed Joint Powers Organization (VRWJPO) was awarded two Clean Water Fund (CWF) grants from the Board of Water and Soil Resources (BWSR). These grants were to fund:

- C17-9813: A project that separated a section of South Creek from a large stormwater basin in Lakeville for the purpose of temperature and sediment reduction (South Creek Temperature Reduction Project); and
- C17-2428: A project to construct a stormwater treatment basin equipped with an iron-enhanced sand filter to reduce phosphorus from reaching Lake Marion in Lakeville (Dakota County 50-19 Lake Marion Phosphorus Treatment Project).

In accordance with CWF and BWSR Policy, capital improvement projects implemented using grant awards must be designed and maintained for a minimum effective life of 25 years. As such, City and VRWJPO staff routinely inspect all capital improvement projects that have been implemented to ensure conformance with the effective life policy. During spring capital improvement project inspections, City and VRWJPO staff found:

- Backflowing of South Creek water into the large stormwater basin under low flow conditions at the project where the design was to fully separate the stream baseflow from the basin under low flow conditions; and
- Structural and earthen failures at the stormwater treatment basin equipped with an iron-enhanced sand filter upstream of Lake Marion.

Following the review of inspection findings, the City requested a proposal from their consultant to perform an engineering and feasibility investigations to formulate options to improve the performance and reduce continued maintenance of the projects listed above. Staff are requesting approval of the draft Joint Powers Agreement to assist with financing the engineering and feasibility investigations.

EXPLANATION OF FISCAL/FTE IMPACT

The Project will cost \$24,571 total in 2024. The City will contribute \$12,286 towards the Project Balance and the VRWJPO will contribute \$12,285. The direct impact to the VRWJPO is \$12,285 and would be paid for out of the Feasibility/Preliminary Studies portion of the 2024 VRWJPO Budget.

Supporting Documents:

Attachment A: Draft Joint Powers Agreement with the City of Lakeville for Dakota County Project 50-19 Lake Marion Phosphorus Treatment Project and South Creek Temperature Reduction Project Maintenance and Performance Improvement Engineering

Previous Board Action(s):

Res. No. VRW 17-09
Res. No. VRW 17-11

RESOLUTION

9c. Authorization to Execute a Joint Powers Agreement with the City of Lakeville for Dakota County 50-19 Lake Marion Phosphorus Treatment Project and South Creek Temperature Reduction Project Maintenance and Performance Improvement Engineering

WHEREAS, the Vermillion River Watershed Joint Powers Organization (VRWJPO) was awarded a 2017 Clean Water Fund (CWF) grant C17-9813 from the Board of Water and Soil Resources (BWSR) to separate South Creek from a large stormwater basin in Lakeville for the purpose of temperature and sediment reduction, which was called the South Creek Temperature Reduction Project; and

WHEREAS, City and VRWJPO staff observed backflowing of creek water into the pond under low flow conditions and eventual discharge back into the creek should be mitigated to improve intended performance; and

WHEREAS, City staff must perform an engineering and feasibility investigation to consider options to reduce backflow to the pond from the creek under low flow conditions (Project 1); and

WHEREAS, the VRWJPO was awarded a 2017 CWF grant C17-2428 from the Board of Water and Soil Resources (BWSR) to construct a stormwater treatment basin equipped with an iron-enhanced sand filter to reduce phosphorus from reaching Lake Marion in Lakeville, which was called the Dakota County 50-19 Lake Marion Phosphorus Treatment Project; and

WHEREAS, City and VRWJPO staff have observed that there are structural failures of earthen and hard infrastructure at the project; and

WHEREAS, City staff must perform an engineering and feasibility investigation to consider options to repair the failures observed in the stormwater treatment project (Project 2); and

WHEREAS, CWF and BWSR Policy requires that CWF Grant funded projects C17-9813 and C17-2428 be designed and maintained for a minimum effective life of 25 years; and

WHEREAS, the VRWJPO and City have agreed to cooperatively participate in Project 1 and Project 2 and have funding available in their respective Budgets to jointly participate in the costs.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Joint Powers Board authorizes its Chair to execute a Joint Powers Agreement with the City of Lakeville for engineering and feasibility investigations to formulate options to improve the performance and address maintenance needs of Dakota County 50-19 Lake Marion Phosphorus Treatment Project and South Creek Temperature Reduction Project.

**JOINT POWERS AGREEMENT
BETWEEN THE VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION
AND THE CITY OF LAKEVILLE
FOR DAKOTA COUNTY 50-19 LAKE MARION PHOSPHORUS TREATMENT PROJECT AND SOUTH
CREEK TEMPERATURE REDUCTION PROJECT MAINTENANCE AND PERFORMANCE
IMPROVEMENT ENGINEERING**

WHEREAS, Minn. Stat. § 471.59 authorizes local governmental units to jointly or cooperatively exercise any power common to the contracting parties; and

WHEREAS, the Vermillion River Watershed Joint Powers Organization is a watershed management body consisting of Dakota and Scott Counties (VRWJPO) governed by the Vermillion River Watershed Joint Powers Board (VRWJPB) and is charged with carrying out the duties set forth in Minn. Stat. § 103B.211 to 103B.255 and as otherwise provided by law; and

WHEREAS, the City of Lakeville (City) is a governmental and political subdivision of the State of Minnesota; and

WHEREAS, the VRWJPO was awarded a 2017 Clean Water Fund (CWF) grant award (South Creek Grant Award) from the Board of Water and Soil Resources (BWSR) to separate South Creek (a DNR-designated trout stream) from a stormwater management basin in the City Lakeville for the purpose of temperature and sediment reduction; and

WHEREAS, the construction work performed to separate South Creek from the stormwater management basin in Lakeville for which the South Creek Grant Award applied was led by the City and included in City Project 16-07; and

WHEREAS, all applicable warranties regarding City Project 16-07 have expired; and

WHEREAS, the VRWJPO and City have determined that water from South Creek is backflowing into the stormwater management basin and intermixing as a result of backflow; and

WHEREAS, an engineering and feasibility investigation is required to evaluate options to disconnect and reduce backflow from South Creek to the stormwater management basin (Project 1); and

WHEREAS, the VRWJPO was awarded a 2017 CWF grant award (Lake Marion Grant Award) to construct a stormwater management basin equipped with an iron-enhanced sand filter to reduce phosphorus from reaching Lake Marion in Lakeville;

WHEREAS, the construction work performed to construct the stormwater management basin for which the Lake Marion Grant Award applied was led by the City and included in City Project 14-10; and

WHEREAS, all applicable warranties regarding City Project 14-10 have expired; and

WHEREAS, there have been structural failures of existing infrastructure at the stormwater management basin of City Project 14-10; and

WHEREAS, an engineering and feasibility investigation is required to evaluate options to complete corrective work and repair the infrastructure associated with the stormwater management basin (Project 2); and

WHEREAS, CWF and BWSR policies require that capital improvements be designed and maintained for a minimum effective life of 25 years; and

WHEREAS, the City has entered into a contract with an engineering consultant to perform the engineering and feasibility investigation required for Project 1 (City Project 24-48) and Project 2 (City Project 24-49); and

WHEREAS, the total contract amount for the required engineering and feasibility investigation services for Project 1 and Project 2 is \$24,571 ("Projects' Engineering Cost"); and

WHEREAS, the VRWJPO and City have agreed to cooperatively participate in Projects 1 and 2 (collectively, the Projects) and have funding available in their respective Budgets to jointly participate in the costs.

NOW, THEREFORE, in consideration of the mutual promises and benefits that the VRWJPO and City shall derive from this Agreement, the VRWJPO and City hereby enter into this Agreement for the purposes stated herein.

ARTICLE 1 PURPOSE

This Agreement defines the responsibilities and cost-sharing obligations of the Projects of the VRWJPO and City.

ARTICLE 2 PARTIES

The parties to this Agreement are the VRWJPO and City.

ARTICLE 3 TERM

This Agreement is effective upon the date of the signatures of the Parties to this Agreement and shall remain in effect until December 31, 2025, or until completion by the Parties of their respective obligations under this Agreement, whichever occurs first, unless earlier terminated by law or according to the provisions of this Agreement.

ARTICLE 4 COOPERATION

The VRWJPO and City agree to cooperate and use their reasonable efforts to ensure prompt implementation of the various provisions of this Agreement and to, in good faith, undertake resolution of any dispute in an equitable and timely manner.

ARTICLE 5 ADMINISTRATION

The City is the lead agency for administration of the Projects, effective upon execution of this Agreement by all parties. The City shall share the City's consultant's engineering and feasibility investigation information and data with the VRWJPO so the parties can evaluate options to disconnect and reduce backflow from South Creek into the stormwater management basin and to complete corrective work and repair the infrastructure of the stormwater management basin that was constructed to reduce phosphorus from reaching Lake Marion.

ARTICLE 6 PAYMENT

6.1 The parties shall make the following contributions towards the Projects' Engineering Cost. The City will administer the contract and act as the paying agent for all payments to the City's engineering consultant.

6.1.1 The City shall contribute \$12,286 towards the Projects' Engineering Cost.

6.1.2 The VRWJPO shall contribute \$12,285 towards the Projects' Engineering Cost.

6.2 No payment shall be made prior to the City's sharing of the City's consultant's engineering and feasibility investigation information and data for the Projects with the VRWJPO and execution of this Agreement.

6.3 The VRWJPO shall pay its share of the Projects' Engineering Costs to the City on a reimbursement basis up to the maximum amount identified in Section 6.1.2. The City shall invoice VRWJPO for its share of Projects' Engineering Costs once the City shares its consultant's engineering and feasibility investigation information and data for the Projects with the VRWJPO. The VRWJPO shall make payment to the City within thirty-five (35) days of receipt of an invoice from the City provided the invoice shall be supported by itemized receipts and invoices from the City's contracted consultant for the Projects.

6.4 The VRWJPO may refuse to pay the invoice for services and fees not specifically authorized by this Agreement. Payment of an invoice shall not preclude the VRWJPO from questioning the propriety of the claimed services or fees. The VRWJPO reserves the right to be repaid for any overpayment or disallowed claimed services or fees.

ARTICLE 7 OBLIGATIONS

7.1 AUTHORIZED PURPOSE. The funds provided under the terms of this Agreement may only be used by the City for the payment of costs directly related to the Projects.

7.2 CONTENT REQUIREMENTS. The Projects shall be carried out according to the objectives outlined in the City's contracts with its consultant. The VRWJPO and City shall approve any modifications to the scope of the Projects.

7.3 COMPLIANCE WITH LAWS/STANDARDS. The City shall abide by all federal, state, or local laws, statutes, ordinances, rules, and regulations in executing the Projects.

ARTICLE 8 INDEMNIFICATION

Each party to this Agreement shall be liable for the acts of its officers, employees or agents and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other parties, or officers, employees or agents or the other parties. The City agrees to defend, indemnify, and hold harmless the VRWJPO against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement for which the City is responsible, including negligent acts or omissions of the City and/or those of City employees or agents. All Parties to this Agreement recognize that liability for any claims arising under this Agreement are subject to the provisions of the Minnesota Municipal Tort Claims Law; Minnesota Statutes, Chapter 466. The City warrants that it can comply with the aforementioned indemnity requirements through an insurance or self-insurance program and that it has minimum coverage consistent with liability limits contained in Minn. Stat. Ch. 466. In the event of any claims or actions filed against any party, nothing in this Agreement shall be construed to allow a claimant to obtain separate judgments or separate liability caps from the individual parties. This section shall survive the expiration or termination of this Agreement.

ARTICLE 9 AUTHORIZED REPRESENTATIVES AND LIAISONS

9.1 AUTHORIZED REPRESENTATIVES. The following named persons are designated the authorized representatives of the parties for this Agreement. These persons have authority to bind the party they

represent and to consent to modifications, except that the authorized representative shall have only the authority specifically or generally granted by their respective governing boards. Notice required to be provided pursuant to this Agreement shall be made to the following named persons and addresses unless otherwise stated in this Agreement, or an amendment of this Agreement:

TO THE VRWJPO: Mike Slavik or successor, Chair
Vermillion River Watershed Joint Powers Organization
4100 220th St. W #103
Farmington, MN 55024
Telephone: (651) 438-4427
mike.slavik@co.dakota.mn.us

TO THE CITY: Justin Miller, City Administrator, or successor
City of Lakeville
20195 Holyoke Avenue
Lakeville, MN 55044
Telephone: (952) 985-4400
jmiller@lakevillemn.gov

In addition, notification to the VRWJPO regarding termination of this Agreement by the City shall be provided to the Office of the Dakota County Attorney, Civil Division, 1560 Highway 55, Hastings, MN 55033.

9.2 LIAISONS. To assist the parties in the day-to-day performance of this Agreement and to ensure compliance and provide ongoing consultation, a liaison shall be designated by the VRWJPO and the City. The VRWJPO and the City shall keep each other continually informed, in writing, of any change in the designated liaison. At the time of execution of this Agreement, the following persons are the designated liaisons:

VRWJPO Liaison: Kelly Perrine
Senior Watershed Specialist
Telephone: (952) 891-7002
Email: kelly.perrine@co.dakota.mn.us

City Liaison: McKenzie Cafferty
Environmental Resources Manager
Telephone: (952) 985-4520
Email: mcafferty@lakevillemn.gov

ARTICLE 10 MODIFICATIONS

Any alterations, variations, modifications, or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, approved by the parties' respective Boards, or as delegated by the parties' respective Boards, and signed by the Authorized Representatives, or delegated authority, of the VRWJPO and the City.

ARTICLE 11 TERMINATION

11.1 IN GENERAL. Any party may terminate this Agreement for cause by giving seven days' written notice or without cause by giving 30 days' written notice, of its intent to terminate, to the other parties. Such notice to terminate for cause shall specify the circumstances warranting termination of the Agreement. Cause shall mean a material breach of this Agreement and any supplemental agreements or amendments thereto. This Agreement may also be terminated by any of the parties in the event of a default by one party. Notice of Termination shall be made by certified mail or personal delivery to the authorized representative

of the other parties. Termination of this Agreement shall not discharge any liability, responsibility or right of any party, which arises from the performance of or failure to adequately perform the terms of this Agreement prior to the effective date of termination.

11.2 TERMINATION FOR LACK OF FUNDING. Notwithstanding any provision of this Agreement to the contrary, the VRWJPO or City may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, Minnesota Agencies, or other funding sources, or if it's funding cannot be continued at a level sufficient to allow payment of the amounts due under this Agreement. The terminating body shall remain obligated to pay for any invoices received prior to any parties' receipt of written notice of termination for lack of funding.

ARTICLE 12 MINNESOTA LAW TO GOVERN

This Agreement shall be governed by and construed under the substantive and procedural laws of the State of Minnesota, without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Dakota, State of Minnesota. This section shall survive the expiration or termination of this Agreement.

ARTICLE 13 MERGER

This Agreement is the final expression of the agreement of the parties and the complete and exclusive statement of the terms agreed upon and shall supersede all prior negotiations, understandings, or agreements.

ARTICLE 14 SEVERABILITY

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts that are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to any party.

ARTICLE 15 GOVERNMENT DATA PRACTICES

The City and the VRWJPO must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided, created, collected, received, stored, used, maintained, or disseminated under this Agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the City or the VRWJPO.

ARTICLE 16 SURVIVABILITY

The provisions of Article 8 (Indemnification) and Article 15 (Government Data Practices) survive the expiration or termination of this Agreement.

ARTICLE 17 DEFAULT: FORCE MAJEURE

No party shall be liable to the other parties for any loss or damage resulting from a delay or failure to perform due to unforeseeable acts or events outside the defaulting party's reasonable control, providing the defaulting party gives notice to the other parties as soon as possible. Acts and events may include acts of God, acts of terrorism, war fire, flood epidemic, pandemic, acts of civil or military authority, and natural disasters.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date(s) indicated below.

**VERMILLION RIVER WATERSHED
JOINT POWERS ORGANIZATION**

By: _____
Mike Slavik or successor, Chair

Date of Signature: _____

CITY OF LAKEVILLE

By: _____
Luke M. Hellier or successor, Mayor

Date of Signature: _____

By: _____
Ann Orlofsky, City Clerk

Date of Signature: _____

Approved as to form:

Assistant Dakota County Attorney/Date
KS-24-502
VRW Res. No.

8d. Authorization to Execute Contract with Solitude Lake Management for the Alimagnet Lake Alum Treatment Project

Meeting Date: 8/22/2024
Item Type: Regular-Action
Contact: Kelly Perrine
Telephone: 952-891-7002
Prepared by: Kelly Perrine

**PURPOSE/ACTION REQUESTED**

- Authorization to execute contract with Solitude Lake Management for the Alimagnet Lake Alum Treatment Project

SUMMARY

Alimagnet Lake, a nutrient (phosphorus) impaired waterbody, is one of five identified recreational lakes located within the Vermillion River Watershed. Following the implementation of a number of projects and activities to address phosphorus loading within the Alimagnet Lake (Lake) watershed, VRWJPO staff and the cities of Apple Valley and Burnsville (Partners) believed the Lake was well positioned for an investigation of the process, improvement potential, and costs associated with a whole lake aluminum sulfate (alum) treatment. Alum acts to reduce phosphorus by binding with lake-bottom sediment to prevent the phosphorus from being released and resuspended into the water column. In 2022, Vermillion River Watershed Joint Powers Organization (VRWJPO) staff, in cooperation with the Partners, hired a consultant to perform an Alimagnet Lake Alum Treatment Feasibility Study (Study).

The Study was completed in 2023 and found that an alum treatment would result in an estimated internal phosphorus load reduction of 114.9 lbs/year. The alum treatment's estimated pollutant reduction would bring the in-lake concentrations of total phosphorus to levels below the water quality standards, which would allow the lake to be removed from the Environmental Protection Agency's 303 (d) Impaired Waters List. Using this information and the associated Engineer's Estimate, VRWJPO staff applied for and received a competitive Clean Water Fund (CWF) grant award from the Board of Water and Soil Resources (BWSR) in the amount of \$287,000 to perform an alum treatment in Alimagnet Lake. In accordance with in-lake treatment best practices, the alum treatment would be performed via split dosing, with the first alum application taking place in fall, 2024 and a follow-up treatment in spring, 2026.

Barr Engineering, who was awarded the contract to oversee alum dosing specifications, contract development and application monitoring, provided an Engineer's Estimate of \$262,055.20 to complete the 2024 and 2026 treatments. A Request for Bids (RFB) was administered by VRWJPO staff, and the bid opening took place on August 1. The result of the bid opening was a singular bid of \$314,233.70 by Solitude Lake Management, \$52,178.50 higher than the Engineer's Estimate. Barr Engineering evaluated the bid information and determined the primary factor in the higher than estimated bid is due to unforeseen market fluctuations in the cost of alum and sodium aluminate (an alum buffering agent).

The VRWJPO reserves the right to initiate a second RFB to obtain a more competitive Project cost however, the following conditions make it unlikely that a lower Project cost will be submitted: Solitude Lake Management is the only known contractor within the region to have the appropriate licensure to initiate alum treatment with a

buffering agent; reducing the amount of buffering agent to lessen the cost could have detrimental impacts on aquatic life; and reducing the scope of treatment would not be in conformance with the CWF grant agreement. Attachment A provides additional insight into the higher treatment costs.

RECOMMENDATION

Staff recommend the VRWJPB authorize the Board Chair to execute a contract with Solitude Lake Management for the Alimagnet Lake Aluminum Treatment project in an amount not to exceed \$314,233.70. This would allow the 2024 alum treatment to proceed while staff consider funding options and work with Partners to identify and secure additional funding for the 2026 treatment.

EXPLANATION OF FISCAL/FTE IMPACT

The project costs for the 2024 alum treatment can be covered by encumbering more of the CWF grant funds for the 2024 alum treatment. The VRWJPO local match identified in the VRWJPO Budget for 2024 would stay the same. However, by encumbering more CWF grant funds for the 2024 alum treatment, additional funds will need to be identified and secured in order to perform the 2026 alum treatment.

Supporting Documents:

Attachment A – Memorandum: Bid Results-Alimagnet Lake Alum Application

Previous Board Action(s):

Res. No. VRW 24-02

RESOLUTION**9d. Authorization to Execute Contract with Solitude Lake Management for the Alimagnet Lake Alum Treatment Project**

WHEREAS, Alimagnet Lake is one of five identified recreational lakes located within the Vermillion River Watershed; and

WHEREAS, Alimagnet Lake is included on the Environmental Protection Agency's (EPA) 303 (d) Impaired Waters List, listed as impaired for nutrients (phosphorus); and

WHEREAS, Vermillion River Watershed Joint Powers Organization (VRWJPO) staff have worked with the cities of Apple Valley and Burnsville (Partners) to implement a number of projects and practices to address external phosphorus loading in the Alimagnet Lake watershed; and

WHEREAS, VRWJPO staff and Partners completed an Alimagnet Lake Alum Treatment Feasibility study that found an alum treatment would result in an estimated internal phosphorus load reduction of 114.9 lbs/year; and

WHEREAS, the estimated phosphorus load reduction would allow for Alimagnet Lake to be removed from the EPA's 303 (d) Impaired Waters List; and

WHEREAS, VRWJPO staff and Partners received a competitive Clean Water Fund (CWF) grant award to control internal phosphorus loading within Alimagnet Lake through a split-dose alum treatment in 2024 and 2026 (Project); and

WHEREAS, Barr Engineering, the Project consultant, estimated the Project cost to be \$262,055.20; and

WHEREAS, VRWJPO staff administered a Request for Bids (RFB) for the Project with a bid opening on August 1; and

WHEREAS, the lowest (and sole) bid received was \$314,233.70 from Solitude Lake Management; and

WHEREAS, justification of the Engineer's Estimate shortfall was primarily due to market fluctuation in the pricing of alum and sodium aluminate (an alum buffering agent); and

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Joint Powers Board authorizes its Chair to execute a contract with Solitude Lake Management in an amount not to exceed \$314,233.70 for administration of the Alimagnet Lake Alum Treatment Project; subject to approval as to form by the Dakota County Attorney's Office.

Memorandum

To: Vermillion River Watershed Joint Powers Organization
From: Barr Engineering Co.
Subject: Bid Results-Alimagnet Lake Alum Application
Date: August 14, 2024
Project: 23191497
c: City of Apple Valley, City of Burnsville

Barr completed the design of the VRWJPO Aluminum Lake Treatments for Alimagnet Lake in Apple Valley and Burnsville. Two aluminum applications (each being a combination of alum (aluminum sulfate) and sodium aluminate) are included with the contract which include a fall application with a completion date of October 31, 2024 and a spring 2026 application with a completion date of May 29, 2026. The project was issued for bid on July 8, 2024 with bids due by August 1, 2024. One bid was received from Solitude Lake Management (SLM) with a bid of \$314,233.70. The engineer's opinion of probable cost (OPC) was \$262,055.20 developed as part of the feasibility study completed in August 2023. The submitted bid by Solitude Lake Management is approximately 21% over the engineer's OPC. The OPC was based on bids received over the past five years and project discussions with applicators. This project is part of a Clean Water Fund (CWF) Grant with the engineer's OPC serving as the reference for funding awarded by the grant.

There are two ways contractors account for project cost: 1: mobilization and 2: product costs plus application costs. In the past, the contractor bid a low mobilization (<\$10,000) and higher per gallon application rates. So, this was the method used to develop the OPC. Recently, the contractor has lowered their per gallon applied costs and moved those costs to mobilization resulting in misalignment of costs between the OPC and the received bid. The mobilization costs were accounted for in the OPC in a higher applied alum cost with a difference of 61cents per gallon between the bid and the OPC. Since mobilization was accounted for in the applied costs as well as the mobilization line item, the primary factor driving the higher bid was the unit price for aluminum sulfate which was more than 55% higher than the OPC. Other spring 2024 bids on projects involving sodium aluminate had similar cost increases for sodium aluminate. As both aluminum sulfate and sodium aluminate are commodities, prices can change quickly with market demand. The change in bidding and higher unit costs for sodium aluminate are recent and occurred after the OPC submitted with the Alimagnet Lake Clean Water Fund grant application.

It should also be noted that Alimagnet Lake is shallow, does not have easily accessible boat ramps, and requires small specific equipment for the application. While we accounted for these factors in the OPC, it is ultimately up to the contractor to determine the time and labor required to complete the project.

Solitude Lake Management (SLM) meets the qualifications for the project and provided the following required information associated with bidding: bid bond, list of subcontractors, equipment list, non-collusion affidavit, statement of responsible bidder and responsible contractor, trade secret information form, list of suppliers, and project references.

To: Vermillion River Watershed Joint Powers Organization
From: Barr Engineering Co.
Subject: Bid Results-Alimagnet Lake Alum Application
Date: August 14, 2024
Page: 2

As the bid is over this estimates, additional funds will need to be acquired to complete the project as bid. Since the project exceeds the OPC and the grant dollars required to cover project costs, the project could be re-bid to attract another bidder with a probable lower bid price. However, the project requires specialized equipment for the application which narrows the pool of qualified contractors. Further, it is rare to receive more than one bid for alum applications since the service requires highly specialized equipment and experience. Barr has managed past aluminum applications with SLM and believe they are one of few qualified contractors in the nation and one of the only local contractors capable of conducting the application to Alimagnet Lake. Because re-bidding the project does not guarantee other contractors will bid, will be qualified for the work, or will submit a lower bid than already submitted by SLM, SLM is the responsive qualified lowest bidder.