



# 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





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.



### **Kelly Perrine**

- Discussed proposed changes in the Wetland Conservation Act and how those changes would impact the VRWJPO.
- The Minnesota Board of Water and Soil Resources (BWSR) has been working with various staff around the state on its suite of tools used to estimate pollutant reduction associated with projects since grant applications and awards often rely on good estimates of pollutant reduction.

### **Jeff Dunn**

- Indicated that staff recently completed the Watershed-Based Implementation Funding (WBIF) convene process and the VRWJPO was successful in its proposal for three projects in the watershed. Jeff proceeded to describe which projects were successful in receiving preliminary funding approval from the convene group. Next steps will be to finalize details with BWSR, establish a grant agreement, and approving JPAs with partners.
- Summarized the outcome of a meeting with the Vermillion Township Board and Clerk regarding their erosion and sediment control ordinance and establishing grading permits.

### **Travis Thiel**

- Indicated he had no report unless there were any questions from the Commissioners.

## **11. Adjourn**

*Motion by Commissioner Wolf to adjourn, seconded by Commissioner Droste. Motion carried on a 3-0 vote.*

Next Meeting Date: Thursday, August 22, 2024, at 1 p.m. in Conference Room A at the Dakota County Extension and Conservation Center, 4100 220<sup>th</sup> 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

A handwritten signature in blue ink, appearing to be "W. A. H. H. H.", written over a horizontal line.

Commissioner

Secretary/ Treasurer

A handwritten date "8/27/2024" in blue ink, written over a horizontal line.

Date