



# Agenda

## Vermillion River Watershed Joint Powers Board Meeting

May 23, 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<br><i>(please limit audience comments to five minutes)</i>                                      |             |         |
| 4. Approval of Agenda   | Action      | Page 1  |
| 5. Approval of Minutes from the April 25, 2024 Meeting  | Action      | Page 3  |
| 6. Consent Agenda   | Action      |         |
| a. Acceptance of Treasurer’s Reports  | Action      | Page 9  |
| 7. Approval of Expenses   | Action      | Page 10 |
| 8. Business Items   |             |         |
| a. Authorization to Execute a Joint Powers Agreement with Partners for Water Conservation Marketing and Landscaping for Clean Water Marketing   | Action      | Page 11 |
| b. Authorization to Execute a Master Services Agreement with Tunheim for Water Conservation and Landscaping for Clean Water Marketing           | Action      | Page 21 |
| c. Direction on Wetland Bank Credit Price Establishment for Revised Vermillion River Watershed Joint Powers Organization Wetland Banking Policy | Information | Page 36 |
| d. Direction on Watershed Planning Commission Membership Requirements and Terms   | Information | Page 43 |
| 9. Staff Reports  |             |         |
| 10. Adjourn   | Action      |         |

**Please note**, the May 23, 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

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**Other Information**

Next Meeting Date: **June 27, 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, April 25, 2024, 1 p.m., in-person at the Dakota County Extension and Conservation Center and virtual via Microsoft Teams

#### Board Members in Attendance

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

#### Watershed Planning Commission (WPC) Members in Attendance

Brad Blackett  
Sandra Weber

#### Others in Attendance

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

#### 1. Call to Order

Meeting was called to order at 1 p.m.

#### 2. Roll Call

Commissioners Slavik, Droste, and Wolf were in attendance.

#### 3. Audience Comments on Items Not on the Agenda

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



#### **4. Approval of Agenda**

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

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

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

#### **6. Approval of Consent Agenda**

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

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

#### **7. Approval of Expenses**

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

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

#### **8. Business Items**

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

**9. Staff Reports**

**Kelly Perrine**

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

**Jeff Dunn (written report)**

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

**Melissa Bokman Ermer (written report)**

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



## **Travis Thiel**

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

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

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

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

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

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

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

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

## **Brian Wisdorf**

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



**10. Adjourn**

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

Next Meeting Date: Thursday, May 23, 2024, at 1 p.m. in Conference Room A at the Dakota County Extension and Conservation Center, 4100 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

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Secretary/ Treasurer

\_\_\_\_\_  
Date





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

	<u>Budget Amounts</u>	<u>Expenses to Date</u>	<u>Expenses Pending</u>	<u>Account Balance</u>
A. Administration & Operations (601-5010001-0000000)	\$ 230,500.00	\$ 24,712.70	\$ 21,483.53	\$ 184,303.77
B. Research & Planning (601-5010001-50100130)	\$ 78,000.00	\$ 21,107.49	\$ 8,314.88	\$ 48,577.63
C. Monitoring & Assessment (601-5010001-50100230)	\$ 155,750.00	\$ 29,714.65	\$ 5,654.77	\$ 120,380.58
D. Public Communications & Outreach (601-5010001-50100330)	\$ 171,580.00	\$ 25,097.41	\$ 6,474.09	\$ 140,008.50
E. Irrigation and Irrigation Audit (601-5010001-50100431)	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00
F. Regulation (601-5010001-50100530)	\$ 55,930.00	\$ 16,647.05	\$ 3,050.29	\$ 36,232.66
G. Coordination & Collaboration (601-5010001-50100531)	\$ 50,600.00	\$ 7,954.09	\$ 3,195.06	\$ 39,450.85
H. Feasibility/Preliminary Studies (601-5010001-50100631)	\$ 340,000.00	\$ 14,939.49	\$ 15,584.86	\$ 309,475.65
I. Capital Improvement Projects (601-5020001-50200130)	\$ 394,500.00	\$ 31,787.39	\$ 2,790.80	\$ 359,921.81
J. Lakeville East Lake Restoration (601-5010001-50100858)	\$ -	\$ -	\$ 1,500.00	\$ (1,500.00)
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	\$ 1,058.39	\$ 2,825.52	\$ 23,616.09
M. 2022-2023 WBIF Grant (BWSR) Middle Creek (601-5010001-50100861)	\$ 21,000.00	\$ 484.38	\$ 116.88	\$ 20,398.74
N. 2022-2025 WBIF Grant (BWSR) Alimagnet Alum PPM 2000304 (601-5010001-50100864)	\$ 200,500.00	\$ 465.81	\$ 628.99	\$ 199,405.20
O. 2023 CWF Competitive Grant (BWSR) East Lake (601-5010001-50100863)	\$ 127,500.00	\$ 3,600.64	\$ 434.76	\$ 123,464.60
P. Lakeville Capital Projects 24-02 and 24-20 Cost Share (601-501001-5010865)	\$ 370,000.00	\$ -	\$ -	\$ 370,000.00
Q. Rosemount Campus Infiltration Basins (601-5010001-5010866)	\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
R. 2024 CWF Competitive Grant (MDH) Water Conservation and LCW Marketing (601-5010001-5010867)	\$ 62,500.00	\$ -	\$ -	\$ 62,500.00
S. Wetland Bank (601-5010001-50100930)	\$ 406,800.00	\$ -	\$ -	\$ 406,800.00
<b>VRW JPO Revised Budget Expense TOTAL</b>	<b>\$ 2,749,160.00</b>	<b>\$ 177,569.49</b>	<b>\$ 72,054.47</b>	<b>\$ 2,499,536.08</b>

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 Year	\$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
<b>Total</b>	<b>\$3,757,173.00</b>



**Vermillion River Watershed Joint Powers Organization**  
 4100 220th St. W., Suite 103, Farmington, MN 55024  
**Expense Report**

The invoices submitted between March 12, 2024 and April 11, 2024 total: 80,789.35

The invoices submitted between April 11, 2024 and May 13, 2024 total:

<b><u>Invoice</u></b>	<b><u>Vendor</u></b>		<b><u>Amount</u></b>
April 2024	DC Staff Time April 2024	\$	44,461.79
Mar 2024	DC Legal	\$	10,583.47
IN30750	Scott County	\$	1,407.89
023-048-7	HKGi	\$	488.75
91154216	US Dept Interior (USGS)	\$	2,213.50
PCard: S Weber	HyVee: Refreshments for training	\$	19.47
PCard: S Weber	HyVee: Refreshments for training	\$	31.73
E 66529	United Promotions - KPerrine Clothing	\$	180.81
PCard/Expense	Kelly Perrine - Waders	\$	183.00
411031	Sign Solutions	\$	246.40
38176	Moore Engineering	\$	5,953.75
38175	Moore Engineering	\$	6,268.75
110703/F	Pellicci Ace: PVC caps	\$	15.16
<b>Total Expenses \$</b>			<b>72,054.47</b>

**Action Requested: Approval of all expenses as presented**

**8a. Authorization to Execute a Joint Powers Agreement with Dakota County, the Dakota County Soil and Water Conservation District, the Black Dog Watershed Management Organization, the Eagan-Inver Grove Heights Watershed Management Organization and the Lower Mississippi River Watershed Management Organization for Water Conservation and Landscaping for Clean Water Marketing**

Meeting Date: May 23, 2024  
Item Type: Regular-Action  
Contact: Kelly Perrine  
Telephone: 952-891-7002  
Prepared by: Kelly Perrine



**PURPOSE/ACTION REQUESTED**

- Authorize execution of a grant agreement with Dakota County, Dakota County Soil and Water Conservation District (Dakota SWCD), the Black Dog Watershed Management Organization (BDWMO), the Eagan-Inver Grove Heights Watershed Management Organization (E-IGHWMO) and the Lower Mississippi River Watershed Management Organization (LMRWMO) for water conservation and Landscaping for Clean Water marketing

**SUMMARY**

At the April 23, 2024, Vermillion River Watershed Joint Powers Board (VRWJPB) meeting, the Board authorized execution of a grant agreement with the Minnesota Department of Health for a water conservation and Landscaping for Clean Water marketing campaign (Project). The purpose of the Project is to engage communities in landscape programs and practices that promote water conservation.

The Project will take place as a collaborative effort between Dakota County, the Dakota SWCD, the BDWMO, the E-IGHWMO and the LMRWMO (Partners). All Partners have goals identified within their respective master plans supporting the Project. Letters of commitment were received from Partners, stipulating: the financial commitment to be dedicated towards the Project, the year in which the dollars are to become available, and the staff member that will act as the organizational liaison. Staff are now requesting execution of a Joint Powers Agreement for all Partners for the Project.

**EXPLANATION OF FISCAL/FTE IMPACT**

The Project will result in a financial impact of \$95,080 total over 2024 and 2025 with an estimated impact in 2024 of \$72,500. The Minnesota Department of Health grant will reimburse \$50,000 to the VRWJPO. The remainder of Project costs will be sourced from Partner budgets. The direct impact to the VRWJPO is \$10,000 and is identified in the Public Communication and Outreach portion of the 2024 VRWJPO Budget.

**Supporting Documents:**

**Previous Board Action(s):**

Attachment A: Draft Joint Powers Agreement Between the VRWJPO, Dakota County, the Dakota SWCD, the BDWMO, the E-IGHWMO and the LMRWMO for Water Conservation and Landscaping for Clean Water Marketing Campaign.

VRW 24-14

**RESOLUTION**

**8a. Authorization to Execute a Joint Powers Agreement with Dakota County, the Dakota County Soil and Water Conservation District, the Black Dog Watershed Management Organization, the Eagan-Inver Grove Heights Watershed Management Organization and the Lower Mississippi River Watershed Management Organization for Water Conservation and Landscaping for Clean Water Marketing**

**WHEREAS**, Dakota County sources over 90 percent of drinking water from groundwater aquifers; and

**WHEREAS**, due to increased water usage during three years of drought (2021-2023) some Dakota County municipalities exceeded Department of Natural Resources water appropriation permits; and

**WHEREAS**, when groundwater extraction quantities exceed groundwater recharge quantities, groundwater aquifers may be impacted; and

**WHEREAS**, maintaining a sustainable water supply is identified as a goal in the adopted Vermillion River Watershed Management Plan; and

**WHEREAS**, promoting water conservation by partnering on a county-wide water supply/conservation initiative is as strategy within the Dakota County Groundwater Plan; and

**WHEREAS**, improving public awareness of water resource goals is identified in the Dakota County Soil and Water Conservation District (SWCD) Comprehensive Plan; and

**WHEREAS**, coordinating with partners to distribute educational information related to water conservation is identified in the adopted Black Dog Watershed Management Organization (BDWMO) Watershed Management Plan; and

**WHEREAS**, collaborating with partners to raise awareness of groundwater and water conservation issues is identified in the adopted Eagan-Inver Grove Heights Watershed Management Organization (E-IGHWMO) Watershed Management Plan; and

**WHEREAS**, participating in regional groundwater planning efforts and sharing resources with Dakota County for groundwater protection is identified in the Lower Mississippi River Watershed Management Organization (LMRWMO) Watershed Management Plan; and

**WHEREAS**, programs and practices exist to help Dakota County transition to a more drought-tolerant landscape and to educate landowners on efficient irrigation practices; and

**WHEREAS**, the VRWJPO applied for and received a grant to develop and distribute professional grade videos about Landscaping for Clean Water programs and education on ways to reduce outdoor water use by increasing irrigation efficiency in partnership with the County, the Dakota SWCD, the BDWMO, the E-IGHWMO and the LMRWMO.

**NOW, THEREFORE, BE IT RESOLVED**, that the Vermillion River Watershed Joint Powers Board (VRWJPB) authorizes its Chair to execute a Joint Powers Agreement with the Dakota County, the Dakota County Soil and Water Conservation District, the Black Dog Watershed Management Organization, the Eagan-Inver Grove Heights Watershed Management Organization and the Lower Mississippi River Watershed Management Organization for Water Conservation and Landscaping for Clean Water Marketing.

**JOINT POWERS AGREEMENT  
BETWEEN THE VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION,  
COUNTY OF DAKOTA, THE DAKOTA COUNTY SOIL AND WATER CONSERVATION DISTRICT,  
THE BLACK DOG WATERSHED MANAGEMENT ORGANIZATION, THE EAGAN-INVER GROVE  
HEIGHTS WATERSHED MANAGEMENT ORGANIZATION AND THE LOWER MISSISSIPPI RIVER  
WATERSHED MANAGEMENT ORGANIZATION  
FOR WATER CONSERVATION AND LANDSCAPING FOR CLEAN WATER MARKETING CAMPAIGN**

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

**WHEREAS**, the Vermillion River Watershed Joint Powers Organization (VRWJPO) is a watershed management body consisting of Dakota and Scott Counties, which is 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 Dakota County Soil and Water Conservation District (Dakota County SWCD) is a governmental and political subdivision of the State of Minnesota; and

**WHEREAS**, the Black Dog Watershed Management Organization (BDWMO) is a watershed management body consisting of Dakota County, which is governed by the Black Dog Watershed Joint Powers Board 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 Eagan-Inver Grove Heights Watershed Management Organization (E-IGHWMO) is a watershed management body consisting of Dakota County, which is governed by the Eagan-Inver Grove Heights Watershed Joint Powers Board 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 Lower Mississippi River Watershed Management Organization (LMRWMO) is a watershed management body consisting of Dakota County, which is governed by the Mississippi River Watershed Joint Powers Board 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**, Dakota County sources over 90 percent of drinking water from groundwater aquifers; and

**WHEREAS**, due to increased water usage during three years of drought (2021-2023) Dakota County municipalities exceeded Department of Natural Resources water appropriation permits; and

**WHEREAS**, maintaining a sustainable water supply is identified as a goal in the adopted Vermillion River Watershed Management Plan; and

**WHEREAS**, promoting water conservation by partnering on a county-wide water supply/conservation initiative is identified in the Dakota County Groundwater Plan; and

**WHEREAS**, improving public awareness of water resource goals is identified in the Dakota County SWCD Comprehensive Management Plan; and

**WHEREAS**, coordinating with partners to distribute educational information related to water conservation is identified in the adopted Black Dog Watershed Management Plan; and

**WHEREAS**, collaborating with partners to raise awareness of groundwater and water conservation issues is identified in the adopted Eagan-Inver Grove Heights Watershed Management Organization Watershed Management Plan; and

**WHEREAS**, participating in regional groundwater planning efforts and sharing resources with Dakota County for groundwater protection is identified in the Lower Mississippi River Watershed Management Organization Watershed Management Plan; and

**WHEREAS**, programs and practices exist to help Dakota County transition to a more drought-tolerant landscape and to educate landowners on efficient irrigation practices; and

**WHEREAS**, digital algorithms exist which are placing priority on paid advertisement over traditional local government unit organic outreach; and

**WHEREAS**, the VRWJPO applied for and received a grant from the Minnesota Department of Health (Grant) to develop and distribute professional grade videos promoting Landscaping for Clean Water programs and ways to reduce outdoor water use by increasing irrigation efficiencies (Project); and

**WHEREAS**, the VRWJPB obtained two quotations for the Project and negotiated a contract with Tunheim Acquisitions, Inc. d/b/a Tunheim Partners (Tunheim) in accordance with Minn. Stat. § 471.345, subd. 4 (Tunheim Contract); and

**WHEREAS**, the total contract amount for the services to be provided Tunheim pursuant to the Tunheim Contract is \$95,080, of which VRWJPO shall apply all Grant funds received (up to \$50,000), leaving a balance of \$45,080 (Project Balance); and

**WHEREAS**, the VRWJPO, SWCD, County, BDWMO, E-IGHWMO and the LMRWMO (collectively Partners) will contribute funds towards the Project Balance in accordance with Article 6 and/or staffing in accordance with Article 5.

**NOW, THEREFORE**, in consideration of the mutual promises and benefits that the Partners shall derive from this Agreement, the Partners 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 Partners.

## **ARTICLE 2 PARTIES**

The parties to this Agreement are the VRWJPO, the County of Dakota, by and through its Environmental Resources Department (County), SWCD, BDWMO, E-IGHWMO and the LMRWMO.

## **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 April 30, 2026, or until completion by all 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 Partners 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 MARKETING CAMPAIGN DEVELOPMENT**

The County shall contribute staffing in collaboration with the VRWJPO for the administration, coordination and overseeing of the development of marketing campaign materials associated with the Project. The County, by and through its Environmental Resources Department in collaboration with the VRWJPO, shall regularly confer with the Partners regarding material content. The VRWJPO will administer the Tunheim Contract and act as the paying agent for all payments thereunder.

## **ARTICLE 6 PAYMENT**

**6.1** The Partners shall make the following contributions towards the Project Balance in accordance with the following payment schedule in consideration for the benefit provided by the Project's professional grade videos promoting Landscaping for Clean Water programs and ways to reduce outdoor water use by increasing irrigation efficiencies, and use of the materials provided by the Project:

- 6.1.1 The County, by and through its Environmental Resources Department, shall contribute \$10,000 in 2024 towards the Project Balance.
- 6.1.2 The SWCD shall contribute \$5,000 in 2024 and \$5,000 in 2025 towards the Project Balance.
- 6.1.3 The BDWMO shall contribute \$7,500 in 2024 towards the Project Balance.
- 6.1.4 The E-IGHWMO shall contribute \$7,500 in 2025 towards the Project Balance.
- 6.1.5 The LMRWMO shall contribute \$3,000 in 2025 towards the Project Balance.
- 6.1.6 The VRWJPO shall contribute \$10,000 in 2024 or 2025 towards the Project Balance.

**6.2** The SWCD, County, BDWMO, E-IGHWMO and the LMRWMO shall make their contribution payments made payable to the VRWJPO with thirty-five (35) days or receipt of an invoice from the VRWJPO in the years identified in Section 6.1. Upon request, VRWJPO shall provide the Partners with all itemized Project receipts and invoices.

**6.3** Partners reserve the right to be repaid for any overpayment of their contribution.

**6.4** The Partners contribution obligations shall be subject to Article 11.

## **ARTICLE 7 OBLIGATIONS**

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

**7.2 CONTENT AND MARKETING REQUIREMENTS.** The Project shall be carried out according to the objectives outlined in the Tunheim Contract. The Partners and VRWJPO shall approve any modifications to the scope of the Project.

**7.3 MATERIALS FAILURES.** Any failure of Tunheim to adhere to Project responsibilities outlined within the Tunheim Contract shall be addressed in the Tunheim Contract.

**7.4 OWNERSHIP OF MATERIALS.** "Materials" is defined as videos, works, drawings, products, audio, media content, other recorded materials, and all other materials in whatever form conceived, created or otherwise arising out of the performance of the Tunheim Contract. The VRWJPO shall own rights, title and interest in all of the materials conceived, created or otherwise arising out of the performance of the Tunheim Contract.

**7.5 COMPLIANCE WITH LAWS/STANDARDS.** The VRWJPO and Partners shall abide by all federal, state, or local laws, statutes, ordinances, rules, and regulations in completing the Project, including following all requirements outlined within the Minnesota Department of Health Grant Agreement.

**7.6 PUBLICITY.** VRWJPO grants the Partners a royalty-free irrevocable, non-exclusive, non-transferable, non-assignable, perpetual license on all work or materials created pursuant to Tunheim Contract. The Partners may prepare, copy, use, and distribute these works on materials and create derivative works or materials for the benefit of each Partner for use in publications, promotional material or on their websites. The only restriction on the Partners' use of works or materials and derivative works or materials related to this Agreement are those specifically stated in this section. The Partners shall appropriately acknowledge the funding provided by the Partners and the Grant in any promotional materials, signage, reports, publications, notices, and presentations related to the Project. This section shall survive the expiration or termination of this Agreement.

## **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 provisions of the Municipal Tort Claims Act, Minn. Stat. Ch. 466 and other applicable laws govern liability of the Partners. Each party warrants that it can comply with the aforementioned indemnity requirements through an insurance or self-insurance program and that each 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, Chair, or successor  
Vermillion River Watershed Joint Powers Organization  
4100 220<sup>th</sup> St. W #103  
Farmington, MN 55024  
Telephone: (651) 438-4427  
[mike.slavik@co.dakota.mn.us](mailto: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](mailto:joe.atkins@co.dakota.mn.us)
- TO THE SWCD: Laura Zanmiller, Chair, or successor  
Dakota County Soil and Water Conservation District  
4100 220<sup>th</sup> St. W  
Farmington, MN 55024  
Telephone: (651) 480-7777  
[laura.zanmiller@maswcd.org](mailto:laura.zanmiller@maswcd.org)
- TO THE BDWMO: Curt Enestvedt, Chair, or successor  
Black Dog Watershed Management Organization  
13713 Frontier Court  
Burnsville, MN 55337  
Telephone: (XXX) XXX-XXX  
[e-mail](#)
- TO THE E-IGHWMO: Monica Foss, Chair, or successor  
Eagan-Inver Grove Heights Watershed Management  
Organization  
3830 Pilot Knob Road  
Eagan, MN 55122  
Telephone: (XXX) XXX-XXX  
[fossme@gmail.com](mailto:fossme@gmail.com)
- TO THE LMRWMO: Sharon Lencowski, Chair, or successor  
Lower Mississippi River Watershed Management Organization  
1616 Humboldt Ave  
St. Paul, MN 55118  
Telephone: (XXX) XXX-XXX  
[e-mail](#)

In addition, regarding termination of this Agreement by the 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 each Partner. The Partners 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](mailto:kelly.perrine@co.dakota.mn.us)
- County Liaison: Valerie Neppl  
Groundwater Protection Unit Supervisor  
Telephone: (952) 891-7019  
Email: [valerie.neppl@co.dakota.mn.us](mailto:valerie.neppl@co.dakota.mn.us)

SWCD Liaison: Lindsey Albright  
 Water Resources Specialist  
 Telephone: (651) 480-7783  
 Email: [lindsey.albright@co.dakota.mn.us](mailto:lindsey.albright@co.dakota.mn.us)

BDWMO Liaison: Daryl Jacobson  
 Natural Resources Manager  
 Telephone: (952) 895-4531  
 Email: [daryl.jacobson@burnsville.gov](mailto:daryl.jacobson@burnsville.gov)

E-IGHWMO Liaison: Ashley Gallagher  
 Senior Resource Conservationist  
 Telephone: (651) 480-7781  
 Email: [Ashley.gallagher@co.dakota.mn.us](mailto:Ashley.gallagher@co.dakota.mn.us)

LMRWMO Liaison: Joe Barten  
 Senior Resource Conservationist  
 Telephone: (651) 480-7784  
 Email: [joe.barten@co.dakota.mn.us](mailto:joe.barten@co.dakota.mn.us)

**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 Partners.

**ARTICLE 11  
 TERMINATION**

**11.1 IN GENERAL.** Any party may terminate this Agreement for cause by giving seven days' written notice or pursuant to Section 11.2 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. 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, any Partner may immediately terminate their obligations and right to the benefits of this Agreement by providing written notice to the other Partners if it does not obtain funding from the Minnesota Legislature, Minnesota Agencies, or other funding sources, or if its funding cannot be continued at a level sufficient to allow payment of the amounts due under this Agreement. A terminating Partner shall remain obligated to pay for any invoices received prior to VRWJPO's receipt of written notice of termination for lack of funding. The remaining Partners 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 and Partners 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 the VRWJPO and any of the Partners.

**ARTICLE 16  
SURVIVABILITY**

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

**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: \_\_\_\_\_  
Nikki Stewart, Director  
Environmental Resources Department

Date of Signature: \_\_\_\_\_

**DAKOTA COUNTY SOIL AND WATER  
CONSERVATION DISTRICT**

By: \_\_\_\_\_  
Laura Zanmiller or successor, Chair

Date of Signature: \_\_\_\_\_

**BLACK DOG WATERSHED  
MANAGEMENT ORGANIZATION**

By: \_\_\_\_\_  
Curt Enestvedt or successor, Chair

Date of Signature: \_\_\_\_\_

**EAGAN-INVER GROVE HEIGHTS  
WATERSHED MANAGEMENT ORGANIZATION**

**LOWER MISSISSIPPI RIVER WATERSHED  
MANAGEMENT ORGANIZATION**

By: \_\_\_\_\_  
Monica Foss or successor, Chair

By: \_\_\_\_\_  
Sharon Lencowski or successor, Chair

Date of Signature: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Assistant Dakota County Attorney/Date  
KS-  
VRW Res. No.

DRAFT

**8b. Authorization to Execute a Master Services Agreement with Tunheim for Water Conservation and Landscaping for Clean Water Marketing**

Meeting Date: May 23, 2024  
Item Type: Regular-Action  
Contact: Kelly Perrine  
Telephone: 952-891-7002  
Prepared by: Kelly Perrine



**PURPOSE/ACTION REQUESTED**

- Authorize execution of a master services agreement with Tunheim for Water Conservation and Landscaping for Clean Water Marketing

**SUMMARY**

At the April 23, 2024, Vermillion River Watershed Joint Powers Board (VRWJPB) meeting, the VRWJPB authorized execution of a grant agreement with the Minnesota Department of Health for a water conservation and Landscaping for Clean Water marketing campaign (Project). The purpose of the Project is to engage communities in landscape programs and practices that promote water conservation.

The project will take place as a collaborative effort between Dakota County, the Dakota County Soil and Water Conservation District, the Black Dog Watershed Management Organization (WMO), Egan-Inver Grove Heights WMO and the Lower Mississippi River WMO (Partners). Staff solicited quotes and selected Tunheim Acquisitions, Inc. d/b/a Tunheim Partners (Tunheim) as the most qualified for the Project. Staff are now requesting execution of a master services agreement with Tunheim to begin the Project.

**EXPLANATION OF FISCAL/FTE IMPACT**

The Project will result in a financial impact of \$95,080 total over 2024 and 2025 with an estimated impact in 2024 of \$72,500. The Minnesota Department of Health grant will reimburse \$50,000 to the VRWJPO. The remainder of Project costs will be sourced from Partner budgets. The direct impact to the VRWJPO is \$10,000 and is identified in the Public Communication and Outreach portion of the VRWJPO Budget.

**Supporting Documents:**

Attachment A: Tunheim Master Services Agreement

Attachment B: Tunheim Scope of Work Supplement

**Previous Board Action(s):**

VRW 24-14

**RESOLUTION**

**8b. Authorization to Execute a Master Services Agreement with Tunheim for Landscaping for Clean Water and Water Conservation Marketing Campaign**

**WHEREAS**, Dakota County sources over 90 percent of drinking water from groundwater aquifers; and

**WHEREAS**, due to increased water usage during three years of drought (2021-2023) some Dakota County municipalities exceeded Department of Natural Resources water appropriation permits; and

**WHEREAS**, when groundwater extraction quantities exceed groundwater recharge quantities, groundwater aquifers may be impacted; and

**WHEREAS**, maintaining a sustainable water supply is identified as a goal in the adopted Vermillion River Watershed Management Plan; and

**WHEREAS**, the Joint Powers Board executed a grant agreement with the Minnesota Department of Health for water conservation and Landscaping for Clean Water marketing (Project); and

**WHEREAS**, VRWJPO staff have requested execution of a Joint Powers Agreement with Partners for the Project; and

**WHEREAS**, VRWJPO staff obtained two quotes for the Project in accordance with Minn. Stat. § 471.345, subd. 4; and

**WHEREAS**, Tunheim Acquisitions, Inc. d/b/a Tunheim Partners (Tunheim) was selected as the most qualified for the Project.

**NOW, THEREFORE, BE IT RESOLVED**, that the Vermillion River Watershed Joint Powers Board (VRWJPB) authorizes its Chair to execute a Master Services Agreement with Tunheim for Water Conservation and Landscaping for Clean Water Marketing.



**CONFIDENTIAL - CLIENT MASTER SERVICES AGREEMENT**

May 23, 2024

Kelly Perrine  
Vermillion River Watershed Joint Powers Organization  
4100 220th St W, #103  
Farmington, MN 55024

Dear Kelly:

Thank you for selecting Tunheim Partners to work with you.

This letter will confirm your appointment of Tunheim Acquisitions, Inc. d/b/a Tunheim Partners (“Tunheim,” “we,” “us,” “our”) to provide communications and any other agreed-upon services, to Vermillion River Watershed Joint Powers Organization (“you, “your,” “client”) as outlined in this Master Client Services Agreement (“Agreement”), and any related separate Client Scope of Work Supplements will set forth mutual understanding of our agreement. All services performed for you between now and the signing of this agreement are subject to the same terms and conditions.

The Client Scope of Work Supplements are subject to the same terms and conditions as indicated in the Master Client Services Agreement in addition to any further specifics as indicated in the respective Client Scope of Work Supplements.

**SERVICES**

The Master Client Services Agreement is effective June 1, 2024, and will continue until either party gives 60 days’ written notice of its intention to terminate the Master Client Services Agreement. The services as indicated in the Client Scope of Work Supplements will be directed by you as your company’s representative. No work will be initiated without your prior approval.

## COMPENSATION /BILLINGS

Our fees for the services provided are outlined in the Client Scope of Work Supplements.

Tunheim includes a Technology Fee of eight percent (8%) on top of the professional fees to cover technology expenses incurred for our clients' deliverables (i.e., media and social media monitoring tools, online media intelligence and insights aggregators, cross-media database and buying resources, cloud applications, photo, and design subscriptions).

In accordance with the generally recognized principle that an agency is not required to finance activities of its clients, it is understood that all fee invoices are payable within 30 days and out-of-pocket expenses are payable pursuant to the terms set forth in the Client Scope of Work Supplements. If the invoice is incorrect, defective, or otherwise improper, you shall notify us within 10 calendar days after the date on which you receive the invoice. You shall pay us within 30 calendar days after the date on which you receive the corrected invoice. Undisputed invoices and corrected invoices not paid within thirty (30) days are subject to a service charge of 1.5% per month (18% per year). You will be liable for any costs, including reasonable attorney fees and interest, incurred in connection with the collection of any past due amounts on your account. We reserve the right to discontinue all services if payment is more than 90 days overdue.

Many projects require expenses from outside providers – including wire services, social media placement, and media influencers. Tunheim shall obtain your written approval of Tunheim's engagement of an outside provider prior to Tunheim engaging that outside provider for services to be provided pursuant to this Agreement or any Client Scope of Work Supplement. All out-of-pocket expenses are to be paid in accordance with the Client Scope of Work Supplements.

## AFFILIATED COMPANIES

It is understood that we may utilize affiliated companies or other third parties approved in advance in the performance of production and other services to be provided under this Agreement, and that the terms set forth herein shall inure to the benefit of such affiliates, except to the extent such terms conflict with the terms of any other agreement between you and such affiliate. Our use of affiliated companies or other third parties does not relieve us of our obligations to you under this Agreement and any Client Scope of Work Supplements.

## OWNERSHIP OF MATERIALS RELATED TO SERVICES

All deliverables, including slogans and publicity materials, copy, layouts, scripts, artwork, photography, designs or other materials or documents prepared, purchased or furnished by us in connection with your account and paid for by you, and produced during the term, (collectively "Creative Products") will become your property upon payment of any amounts due us, and will be delivered to you on request. We will retain a security interest in all Creative Products to secure payment of any amounts owed to us.

You acknowledge that we provide public relations or public affairs consulting services to other



clients, and that nothing in this Agreement will be deemed or construed to prevent us from providing such services. In particular, you agree that: (i) we may retain a copy of each of the Creative Products for our own internal use and records, and may use such materials for our own promotional purposes, but that we may not resell your Creative Products to others; (ii) in providing the Services, we may use materials or works of authorship that we have created, developed, or purchased independent of our services hereunder (collectively "Independent Works"); and (iii) our information and administrative communications, records, files and working papers relating to the services shall not be deemed to be Creative Products and shall remain our sole and exclusive property.

We hereby grant to you a royalty-free, non-exclusive, nontransferable license to use any Independent Works, only as embodied in the Creative Products. Nothing in this Agreement grants you the right to sell, lease, assign, sublicense, loan transfer, create derivative works or otherwise use any Independent Works in whole or in part without our prior written consent.

We are in the business of providing consulting services, and we can provide similar services for others excluding any of the materials that you provided to us.

#### CONFIDENTIALITY

We will use our best efforts to maintain the confidential nature of data you entrust to us through strict control of its distribution and use, but in the absence of negligence on our part or willful disregard by us of your property rights, we are not to be held responsible for any loss, damage, destruction, or unauthorized use by others of any such property.

To the best of our ability, we will endeavor to guard against any loss to you through failure of suppliers to properly execute their commitments, but you agree that we are not responsible for any failure on their part.

#### EMPLOYEE SOLICITATION

You recognize that our employees and such employees' loyalty and service to us constitutes an asset of our agency. Accordingly, you will not, during the period commencing on the date of this Agreement and ending six months after the termination of this Agreement, directly or indirectly employ, or engage as a consultant, any of our employees. You agree that the remedy at law for any breach of the foregoing provisions of this paragraph shall be inadequate and that we will be entitled to injunctive relief without proof of irreparable injury and without posting bond in the event of such breach, in addition to any other remedy we might have.

#### GENERAL PROCEDURES

You reserve the right to modify, reject, cancel, or stop any and all plans, schedules or work in process, and in such event, we shall immediately take proper steps to carry out your instructions. In turn, you agree to assume our liability for all such commitments and to pay us, in accordance with the provisions of this Agreement, all proper charges earned and incurred by us in connection with such work up to the time of its discontinuance, cancellation, or modification. You also agree to indemnify us for all claims and actions by third parties arising

out of or in consequence of our carrying out your instructions, and for any material that you provide to us for use in providing the services or embodied in any Creative Products.

You shall pay us for any materials, services, etc., we have committed ourselves to purchase for your account, with your approval (or any uncompleted work previously approved by you either specifically or as part of a plan), if already purchased or if such commitment is non-cancelable.

#### LIMITATIONS OF LIABILITY

Under no circumstances shall we be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs) arising under this agreement, including but not limited to loss of data interest, anticipated savings, revenues or profits or interruption of business. This limitation of liability shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, breach of contract, breach of warranty, negligence of any kind, whether active or passive, strict due care in the performance of services hereunder and other torts), or any other legal or equitable grounds.

#### WARRANTIES AND DISCLAIMERS

We warrant that the services will be performed in a competent and professional manner by qualified personnel with the care and skill a reasonable person in our profession would use in the same or similar circumstances. All other warranties, either express or implied, including, without limitations, warranties of merchantability, fitness for a particular purpose, satisfactory quality and warranty that the provisions of the services will be uninterrupted or error free are specifically disclaimed.

#### SEVERABILITY/CONSTRUCTION

If any provision or provisions of this Agreement shall be held to be illegal, invalid or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. No consent to or waiver of any default hereunder shall be effective unless in writing and no such consent to or waiver of any default shall be construed as a consent to or waiver of any default in the future or of any other default hereunder.

#### ENTIRE AGREEMENT

This letter contains our entire agreement. Any modification must be in writing and signed by an authorized officer of both you and us.

#### MINNESOTA LAW TO GOVERN

The laws of Minnesota govern all matters related to the Master Client Services Agreement and all Client Scope of Work Supplements, without giving effect to the principles of conflict of law. Venue and jurisdiction for any litigation related to this Master Client Services Agreement and all Client Scope of Work Supplements must be in those courts located within Dakota County, State of Minnesota, or U.S. District Court, District of Minnesota.

## INDEPENDENT CONTRACTOR

Nothing in the Master Client Services Agreement or any Client Scope of Work Supplements is intended to create an employer and employee relationship between you and Tunheim and any of its affiliated companies. Neither Tunheim or its' affiliated companies is entitled to receive any of the benefits received by your employees and is not eligible for workers' or unemployment compensation benefits. Tunheim also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due Tunheim, and that it is Tunheim's sole obligation to comply with the applicable provisions of all State and Federal tax laws.

## INDEMNIFICATION

To the greatest extent allowed by law, in the performance of or failure to perform the Master Client Services Agreement or any Client Scope of Work Supplements, Tunheim shall indemnify, defend (in the case of third-party claims, with counsel satisfactory to you), and hold harmless the client, its officers, agents, and employees, from and against any actual or alleged loss, litigation cost (including, but not limited to, reasonable attorney fees and costs and expenses of defense), costs, settlement, judgment, demands, damage, liability, lien, debt, injury, harm, fees, fines, penalties, interest, expenditure, diminution in value, disbursement, action, claim, proceeding, or dispute of any sort (collectively "Losses"), whether or not involving a third party, which are attributable to Tunheim, or Tunheim's agents', independent contractors', employees', affiliated companies', or delegates', actual or alleged:

- A. Intentional, willful, or negligent acts or omissions; or
- B. Actions or omissions that give rise to strict liability; or
- C. Negligent or intentional misrepresentation, breach of warranty, covenant, contract, or subcontract;

whether or not well-founded in fact or in law, known or unknown, foreseen or unforeseen, fixed or contingent and howsoever originating or existing, and whether or not based upon statute, common law, or equity. This indemnity provision survives expiration or termination of Master Client Services Agreement or any Client Scope of Work Supplements.

Tunheim's duty to defend you is not contingent upon a finding of liability or wrongdoing on the part of the Tunheim, or Tunheim's agents, independent contractors, employees, affiliated companies, or delegates. Rather, the Tunheim's duty to defend you, your officers, agents, and employees arises whenever an allegation is made—whether in a

formal lawsuit or otherwise. The duty to defend includes, but is not limited to, the Tunheim retaining and paying directly legal counsel for you chosen solely and exclusively by you in your sole discretion.

## INSURANCE

Tunheim shall maintain policies of insurance as set forth below and pay all retentions and deductibles under such policies of insurance. Any violation of these insurance requirements is a material breach of this Agreement. This section survives expiration or termination of this Agreement.

Workers Compensation. Workers' Compensation insurance in compliance with all applicable statutes including an All States or Universal Endorsement where applicable. Such policy shall include Employer's Liability coverage in an amount no less than \$500,000. If Tunheim is not required by Statute to carry Workers' Compensation Insurance, Tunheim agrees: (1) to provide you with evidence documenting the specific provision under Minn. Stat. § 176.041 which excludes Tunheim from the requirement of obtaining Workers' Compensation Insurance; (2) to provide prior notice to you of any change in Tunheim's exemption status under Minn. Stat. § 176.041; and (3) to hold harmless and indemnify you from and against any and all claims and losses brought by Tunheim or any subcontractor or other person claiming through Tunheim for Workers' Compensation or Employers' Liability benefits for damages arising out of any injury or illness resulting from performance of work under this Agreement or any Client Scope of Work Supplement. If any such change requires Tunheim to obtain Workers' Compensation Insurance, Tunheim agrees to promptly provide you with evidence of such insurance coverage.

Commercial General Liability. Commercial general liability insurance with a total combined general liability policy limit of at least \$1,500,000 per occurrence and per aggregate, applying to liability for Bodily Injury, Personal Injury, and Property Damage, which total limit may be satisfied by the limit afforded under its Commercial General Liability policy, or equivalent policy, or by such policy in combination with the limits afforded by an Umbrella or Excess Liability policy (or policies); provided, that the coverage afforded under any such Umbrella or Excess Liability policy is at least as broad as that afforded by the underlying Commercial General Liability policy (or equivalent underlying policy. Such policies shall name you as an additional insured.

Automobile Liability. Business Automobile Liability insurance covering liability for Bodily Injury and Property Damage arising out of the ownership, use, maintenance, or operation of all owned, non-owned and hired automobiles and other motor vehicles utilized by Tunheim in connection with its performance under this Agreement or any Client Scope of Work Supplements. Such policy shall provide total liability limits for combined Bodily Injury and/or Property Damage in the amount of at least \$1,500,000 per accident, which total limits may be satisfied by the limits afforded under such policy, or by such policy in combination with the limits afforded by an Umbrella or Excess Liability policy(ies); provided, that the coverage afforded under any such Umbrella or

Excess Liability policy(ies) shall be at least as broad with respect to such Business Automobile Liability insurance as that afforded by the underlying policy.

Professional Liability. Professional Liability (errors and omissions) insurance with respect to its professional activities to be performed under this Agreement and any Client Scope of Work Supplements. This amount of insurance shall be at least \$1,500,000 per occurrence and per aggregate (if applicable). Coverage under such policy may be subject to a deductible, not to exceed \$25,000 per occurrence. Tunheim agrees to maintain such insurance for at least one (1) year from termination of this Agreement.

We are eager to work with the Vermillion River Watershed Joint Powers Organization and are enthusiastic about this opportunity. If the above terms and conditions correctly set forth your understanding of our agreement, please execute two copies of this letter, return one copy to us and keep one for your records. Thank you for your vote of confidence.

Very truly yours,

**TUNHEIM PARTNERS**

John Blackshaw  
President & Chief Operating Officer

Accepted and agreed upon by:

**VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant Dakota County Attorney/Date  
KS-24-283





**CLIENT SCOPE OF WORK SUPPLEMENT**

CLIENT AND PROJECT NAME:	DATE OF SOW AGREEMENT
Vermillion River Watershed Joint Powers Organization Dakota County Water Conservation Marketing Campaign	May 23, 2024

This Client Scope of Work Supplement (“SOW”) is issued pursuant to the Client Master Services Agreement (“MSA”) between Vermillion River Watershed Joint Powers Organization (“VRWJPO” “You”) and Tunheim Partners, Inc. (“Tunheim” “Our” “We”), and relates specifically to the following engagement to provide:

**Scope of Work Description:**

Tunheim will provide an integrated communication and marketing campaign including engaging videos to help the VRWJPO, Dakota County, the Dakota County Soil and Water Conservation District, the Black Dog Watershed Management Organization, the Eagan-Inver Grove Heights Watershed Management Organization and the Lower Mississippi River Watershed Management Organization reach its goals to reduce water use and increase participation in the landscaping program. We will work with you to create measurable goals to track toward and provide metrics to help you illustrate how the campaign works.

Tunheim shall abide by all Federal, State or local laws, statutes, codes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to the services provided pursuant to this SOW.

**Ability to Perform:**

Tunheim shall maintain staff, facilities, and equipment necessary to perform under this SOW. We shall promptly provide written notice to you when we know or suspect we may be unable to perform under this SOW. You shall determine whether such inability requires amendment or termination of this SOW. No 60 days’ notice of termination is required to terminate under this paragraph.

**Deliverables and Timing:**

Build		
Tasks	Deliverables	Timing
Task 1: Immersion	<ul style="list-style-type: none"> <li>2-hour immersion meeting to discuss the process overview, communications expectations, and working agreements.</li> </ul>	Q2 2024
Task 2: Materials & Video Production	<ul style="list-style-type: none"> <li>Audience and persona development</li> <li>Marketing plan development</li> <li>Materials and video creation</li> </ul>	Q3-Q4 2024

Launch, Sustain and Grow		
Tasks	Deliverables	Timing
Task 3: Paid Marketing	<ul style="list-style-type: none"> <li>Launch paid ads geotargeted at Dakota County on social and digital platforms, focused on the videos as the primary content (likely to include: Google/YouTube, Meta’s Facebook/Instagram, streaming platforms)</li> <li>Management of the paid ads through the life of the campaign monitoring and reporting on metrics and counseling based on feedback and queries</li> </ul>	Q1-Q3 2025
Task 4: Quantify Success	<ul style="list-style-type: none"> <li>Campaign recap report identifying measurable results</li> </ul>	Q4-Q1 2026

**Compensation:**

Build		
Tasks	Timing and Fee	Billing Calendar
Task 1: Immersion, audience personas and plan development	Q2 2024 (2 months) \$21,600 service fee	Bill 50% at signing 50% at start of second month
Task 2: Materials & Video Production	Q3-Q4 2024 (3 months) \$49,440 service fee	Bill 50% at start of Task Bill 25% at start of second month Bill 25% at start of third month
Launch, Sustain and Grow		
Tasks	Timing and Fee	Billing Calendar
Task 3: Paid Marketing	Q1-Q3 2025 (Exact timing to be agreed upon in Task 1 Plan) \$12,960 service fees \$10,000 paid ads	Fee and ads pre-billed by month they will be implemented. Assuming 6 months, monthly bill of \$2,000 fees and ~\$1,666 paid ads.
Task 4: Quantify Success (Recap report)	Q4-Q1 2026 (One month, exact timing to be agreed upon in Task 1 Plan) \$1,080 service fee	Bill 100% final month of ads

Our fees for the services described above will be based upon the total budget as agreed upon by the parties and paid based on the above billing calendar. Should the scope of work or the deliverables set forth herein change at any time during the term, we reserve the right to increase



and/or adjust our fees consistent with those changes upon an amendment of this SOW being executed by the parties. In the event the time to complete the services described herein extends beyond the completion date identified herein, the parties shall execute an amendment to this SOW that shall provide an adjustment to fees to reflect our then rates. If you request any additional services beyond the scope of this SOW, the parties shall execute an amendment to this SOW or otherwise execute a separate Client Scope of Work Supplement for those services. No work will be initiated without your prior approval.

**Out-of-pocket fees**

All out-of-pocket expenses identified herein or otherwise approved by you in advance of being incurred, including wire services, social media placement, and media influencers are to be paid directly by you. If you wish Tunheim to submit payment for any out-of-pocket expense on your behalf, you agree to pay Tunheim prior to any order getting placed. In such a situation, Tunheim will access an administration fee of two percent (2%) for the processing, managing, purchasing, and tracking all out-of-pocket expenses. For any out-of-pockets purchased by Tunheim on your behalf without prior payment, we will charge an additional 17.65% for processing.

**Technology fee:**

Tunheim includes a technology fee of eight percent (8%) on top of professional fees (excluding out-of-pocket fees) to cover technology expenses incurred for our clients (i.e., media and social media monitoring tools, online media intelligence and insights aggregators, cross-media database and buying resources, cloud applications, photo, and design subscriptions). These fees have been included in the above billing calendar.

**Payment Terms:**

Net 30.

**Term of Engagement:**

This project is to begin June 1, 2024, with a completion date of January 31, 2026. Either party can give 60 days' written notice of its intention to terminate this SOW.

We are eager to work with you and are enthusiastic about this opportunity. If the above terms and conditions correctly set forth your understanding of our agreement, please execute two copies of this Client SOW Supplement, return one copy to us, and keep one for your records.

**Successors and Assigns:**

In the event that Tunheim is subject to a voluntary or involuntary dissolution, merger, sale, transfer, reorganization, acquisition, or winding down of Tunheim's business, to continue the services under this SOW, Tunheim must receive written consent from you permitting Tunheim to assign, bind, benefit, and/or ensure Tunheim's successor, legal representatives, trustees assume all rights, duties, liabilities, obligations, and provisions of this SOW.

**Ownership of Work Product:**

As the VRWJPO’s contractor for hire, the VRWJPO shall jointly own in perpetuity, solely and exclusively, all rights of every kind and character, in all videos, works, drawings, products, audio, media content, other recorded materials, and all other materials in whatever form conceived, created or otherwise arising out of Tunheim performance pursuant to this SOW (collectively referred to as “Works”), and the VRWJPO shall be deemed the author thereof for all purposes. Such Works are deemed “works for hire,” as defined in the U.S. Copyright Act, 17 U.S.C. § 101. Tunheim shall, upon the request of the VRWJPO, execute all papers and perform all other acts necessary to assist the VRWJPO to obtain and register copyrights on such Works. If, for any reason, any of the Works do not constitute a "work made for hire," Tunheim hereby irrevocably assigns to the VRWJPO, in each case without additional consideration, all right, title, and interest throughout the universe in and to the works, including all copyrights therein.

**Termination for Lack of Funding:**

Notwithstanding any provision of this SOW to the contrary, the VRWJPO may immediately terminate this SOW 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 SOW. The VRWJPO shall not be obligated to pay for any services that are provided after written notice of termination for lack of funding. The VRWJPO shall not be assessed any penalty or damages if this SOW is terminated due to lack of funding.

Thank you.

Very truly yours,

**TUNHEIM PARTNERS, INC.**



John Blackshaw  
President & Chief Operating Officer

Accepted and agreed upon by:

**VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant Dakota County Attorney/Date  
KS-24-283

**8c. Direction on Wetland Bank Credit Price Establishment for Revised Vermillion River Watershed Joint Powers Organization Wetland Banking Policy**

Meeting Date: May 23, 2024  
Item Type: Regular-Information  
Contact: Travis Thiel  
Telephone: 952-891-7546  
Prepared by: Travis Thiel



**PURPOSE/ACTION REQUESTED**

- Direction on a revised Vermillion River Watershed Joint Powers Organization Wetland Banking Policy

**SUMMARY**

Vermillion River Watershed Joint Powers Organization (VRWJPO) staff are requesting direction from the Vermillion River Watershed Joint Powers Board (VRWJPB) regarding their preference for establishing wetland bank sale prices in the VRWJPO Wetland Banking Policy.

The current Vermillion River Watershed Wetland Banking Policy (Policy) establishes how the Policy meets the minimum requirements of the Wetland Conservation Act (WCA). The Policy supersedes the WCA’s requirements in the following ways:

- Wetland banking credits (credits) must be purchased from a bank within the Vermillion River Watershed for wetland impacts occurring in the watershed if there are credits available from a wetland bank in the Vermillion River Watershed.
- The Policy describes how it will implement the goals of the Vermillion River Watershed Management Plan and will allow the VRWJPO to use the revenues from the sale of wetland credits to be applied toward future wetland banks or wetland restoration efforts.

When credits became available for sale from the Braun Wetland Bank in 2022, credits were to be sold at 4.5 times the average agricultural land value for Dakota County lands graded A-C with a maximum no greater than \$37,000 per acre (Attachment A). Previous credits were all sold for \$37,000 per acre. Based on information from the Minnesota Board of Water and Soil Resources for Bank Service Area 8, which the VRWJPO is within, the average price for credits in 2022 was \$40,466 (Attachment B), but more recent credit price data is not yet available. Discussions with Minnesota Board of Water and Soil Resources staff indicated more recent credit sales from other nearby bank service areas sold for over \$50,000 per acre.

The VRWJPB directed staff to revise the Policy to better align the price of credits with those sold on the open market. Staff have investigated this matter and have two options to consider for establishing credit prices (Attachment C).

Staff seeks direction from the VRWJPB on their preference for establishing credit prices within the VRWJPO Wetland Banking Policy. Once direction is received, a revised Wetland Banking Policy will be brought before the VRWJPB for adoption at a subsequent VRWJPB meeting.

**EXPLANATION OF FISCAL/FTE IMPACT**

\$500,000 was previously expended as the VRWJPO’s investment in the establishment of the Braun Wetland Bank. Revenues from the sale of credits are placed in an account to recoup those investment costs and save for future wetland banks and wetland restoration projects. A revision to the Policy will result in credit prices being more in line with what other wetland banks on the open market are selling credits for. This will result in the immediate

increase in the credit price with the long-term prices yet unknown and will likely allow the VRWJPO to recoup its original \$500,000 investment in the Braun Wetland Bank sooner than it would have with the existing credit price.

**Supporting Documents:**

Attachment A: Dakota County Land Value Credit Price Valuation  
Attachment B: BWSR 2022 Average Cost Per Credit Values  
Attachment C: Wetland Bank Credit Price Establishment Options

**Previous Board Action(s):**

VRW 18-29; Adoption of VRWJPO  
Wetland Banking Policy

**RESOLUTION**

**8c. Direction on Wetland Bank Credit Price Establishment for Revised Vermillion River Watershed Joint Powers  
Organization Wetland Banking Policy**

**Information only.**

<b>Dakota County Agricultural Land Values (2A)</b>													
<b>Grade</b>	<b>CER'S Range</b>	<b>Market Value</b>											
<b>2A</b>		<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
A+	80-100	\$ 10,100	\$ 9,700	\$ 8,700	\$ 8,000	\$ 8,000	\$ 7,900	\$ 7,500	\$ 7,500	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,500
A	65-75	\$ 10,100	\$ 9,700	\$ 8,700	\$ 8,000	\$ 8,000	\$ 7,900	\$ 7,500	\$ 7,500	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,500
A-	45-60	\$ 10,100	\$ 9,700	\$ 8,700	\$ 8,000	\$ 8,000	\$ 7,900	\$ 7,500	\$ 7,500	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,500
B+	70-80	\$ 9,000	\$ 8,700	\$ 7,800	\$ 7,200	\$ 7,000	\$ 6,600	\$ 6,300	\$ 6,300	\$ 6,600	\$ 6,600	\$ 6,600	\$ 6,300
B	50-65	\$ 9,000	\$ 8,700	\$ 7,800	\$ 7,200	\$ 7,000	\$ 6,600	\$ 6,300	\$ 6,300	\$ 6,600	\$ 6,600	\$ 6,600	\$ 6,300
B-	30-45	\$ 9,000	\$ 8,700	\$ 7,800	\$ 7,200	\$ 7,000	\$ 6,600	\$ 6,300	\$ 6,300	\$ 6,600	\$ 6,600	\$ 6,600	\$ 6,300
C+	45-55	\$ 8,100	\$ 7,800	\$ 7,000	\$ 6,400	\$ 6,100	\$ 5,700	\$ 5,400	\$ 5,400	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,400
C	35-40	\$ 8,100	\$ 7,800	\$ 7,000	\$ 6,400	\$ 6,100	\$ 5,700	\$ 5,400	\$ 5,400	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,400
C-	20-30	\$ 8,100	\$ 7,800	\$ 7,000	\$ 6,400	\$ 6,100	\$ 5,700	\$ 5,400	\$ 5,400	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,400

<b>Wetland Bank Credit Valuation</b>													
Average 2A Value	\$ 9,067	\$ 8,733	\$ 7,833	\$ 7,200	\$ 7,033	\$ 6,733	\$ 6,400	\$ 6,400	\$ 6,733	\$ 6,733	\$ 6,733	\$ 6,733	\$ 6,400
<b>Credit Price (value x 4.5)</b>	<b>\$ 40,800</b>	<b>\$ 39,300</b>	<b>\$ 35,250</b>	<b>\$ 32,400</b>	<b>\$ 31,650</b>	<b>\$ 30,300</b>	<b>\$ 28,800</b>	<b>\$ 28,800</b>	<b>\$ 30,300</b>	<b>\$ 30,300</b>	<b>\$ 30,300</b>	<b>\$ 30,300</b>	<b>\$ 28,800</b>



## 2022 Average Cost per Credit

Minnesota Wetland Bank  
2022 Withdrawal Transactions

Average Cost per Credit <sup>1</sup>				
BSA <sup>2</sup>	Number of Credits Withdrawn	Average Cost per Credit <sup>3</sup>	Number of Transactions That Reported Cost Information	Number of Transactions Processed
1	118.7368	\$49,005.00	6	26
2	9.7599	\$26,730.00	11	24
3	103.5139	\$13,196.18	11	45
4	16.9999	\$32,668.00	5	11
5	128.5056	\$23,439.50	21	74
6	4.3194	\$46,836.89	9	15
7	143.1004	\$99,121.72	72	183
8	29.5868	\$40,466.00	15	30
9	123.9836	\$46,011.43	28	142
10	23.0990	-	0	3

1. The average cost per credit combines both standard and agricultural transactions. Costs for agricultural credits are typically lower than standard credits and will lower the overall average cost per credit. We are currently working on separating these two types of transactions so that the costs can be shown separately.

2. BSA is the Bank Service Area.

3. The average cost per credit is calculated using information voluntarily provided to BWSR on withdrawal transaction forms. It includes transactions completed between January 1, 2022 and December 31, 2022. BWSR did not verify any of the cost information provided on the withdrawal forms.



Price Establishment within Policy:

Price of wetland credits managed for sale by the VRWJPO shall be set as follows:

When credits are being sold to replace wetland impacts which occurred within the Vermillion River Watershed the price shall be set at 4.5 times the estimated average market value for class 2A agricultural lands graded A, B, or C in Dakota County up to a maximum of \$37,000 per acre.

The price of credits sold for replacement of wetland impacts occurring outside the Vermillion River Watershed shall be set at 5.5 times the estimated average market value for class 2A agricultural lands graded A, B, or C in Dakota County up to a maximum of \$45,000 per acre.

The minimum price at which credits will be sold for replacement of wetland impacts will be the sum of the cost to produce the wetland bank credits (easement and restoration, etc.) plus all fees associated with the wetland bank (as per BWSR Wetland Mitigation Fee Policy) plus \$500 per acre.

Revised Price Establishment Option 1:

Price of wetland credits managed for sale by the VRWJPO shall be set as follows:

The price shall be set at 4.5 times the estimated average market value for class 2A agricultural lands graded A, B, or C in Dakota County up to a maximum of \$50,000 per acre.

Class 2A agricultural land values are established annually each spring by the Dakota County Assessor's Office. Each year, the price for credits will be changed based on the annual establishment of class 2A agricultural land values in Dakota County. Any credits where earnest money was paid to hold wetland credits prior to the change in the land values would be honored at the price it was previously agreed upon.

The minimum price at which credits will be sold for replacement of wetland impacts will be 1.5 times the sum of the cost to produce the wetland bank credits (easement and restoration, etc.) plus all fees associated with the wetland bank (as per BWSR Wetland Mitigation Fee Policy) plus \$500 per acre.

Revised Price Establishment Option 2:

The price shall be set based on the most recent available data from the Minnesota Board of Water and Soil Resources (BWSR) for average cost per credit in Bank Service Area 8, up to a maximum of \$50,000 per acre. Any credits where earnest money was paid to hold wetland credits prior to the change in the BWSR cost per credit would be honored at the price it was previously agreed upon.

The minimum price at which credits will be sold for replacement of wetland impacts will be 1.5 times the sum of the cost to produce the wetland bank credits (easement and restoration, etc.) plus all fees associated with the wetland bank (as per BWSR Wetland Mitigation Fee Policy) plus \$500 per acre.

**8d. Direction on Watershed Planning Commission Membership Requirements and Terms**

Meeting Date: May 23, 2024  
Item Type: Regular-Information  
Contact: Travis Thiel  
Telephone: 952-891-7546  
Prepared by: Travis Thiel



**PURPOSE/ACTION REQUESTED**

- Seeking direction on membership requirements and terms for the Watershed Planning Commission

**SUMMARY**

Staff are seeking direction from the Vermillion River Watershed Joint Powers Board (VRWJPB) on what they’d like to formalize for Vermillion River Watershed Planning Commission (WPC) requirements and terms.

At the March 21, 2024, VRWJPB meeting, Vermillion River Watershed Joint Powers Organization (VRWJPO) staff presented areas in the Joint Powers Agreement (JPA) that formed the VRWJPO (attached) that require further discussion or potential revision. One area discussed in the JPA was membership requirements of the WPC. Staff have had difficulty filling all nine seats on the WPC for many years, and previous discussions by the WPC indicated more flexibility in either the membership requirements, terms, or both could help address this matter. The VRWJPB directed staff to have the WPC provide a formal recommendation for their preferred membership requirements and terms and bring that back to the VRWJPB for consideration.

Staff discussed this topic with the WPC at their May 8, 2024, meeting. The WPC provided a recommendation regarding the membership requirement that is summarized as:

To eliminate the VRWJPO residency requirement and allow interested stakeholders to serve provided their application is vetted prior to appointment by the VRWJPB.

Further, the WPC recommended a change to the terms of WPC members that is summarized as:

The VRWJPB shall appoint members of the WPC for a term of 3 years (“Appointment Term”). A member of the WPC can be appointed to serve two consecutive terms. The Appointment Term shall begin on the day of appointment. The VRWJPB may appoint an expiring term member of the WPC to continue to serve as an interim appointment upon the expiration of that member’s term where the VRWJPB has not received applications for that expiring term member’s position. The interim member’s appointment shall expire upon the VRWJPB’s appointment of a new member of the WPC filling the position held by the interim member.

Staff are seeking VRWJPB direction on membership requirements and terms they would like to include in the JPA revision that will be brought to the VRWJPB at a later date for a recommendation to the Scott and Dakota County Boards of Commissioners.

**EXPLANATION OF FISCAL/FTE IMPACT**

No fiscal Impact

**Supporting Documents:**

Attachment A: VRWJPO Joint Powers Agreement

**Previous Board Action(s):**

**RESOLUTION**

**8d. Direction on Watershed Planning Commission Membership Requirements and Terms**

**Information only.**

**JOINT POWERS AGREEMENT  
BETWEEN DAKOTA COUNTY AND SCOTT COUNTY  
FOR VERMILLION RIVER WATERSHED**

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

WHEREAS, pursuant to Minn. Stat. § 103B.231 a watershed management plan is required for watersheds comprising all minor watershed units wholly or partly within the metropolitan area, in accordance with the requirements of § 103B.205 to § 103B.255; and

WHEREAS, the Vermillion River Watershed is a watershed comprising minor watershed units wholly within the metropolitan area, specifically, within Dakota County and Scott County; and

WHEREAS, pursuant to Minn. Stat. § 103B.231 if a watershed management organization within the metropolitan area is terminated, the counties containing the watershed unit shall prepare, adopt, and implement the watershed plan and shall have the planning, review, permitting, and financing authority of a watershed management organization specified in Minn. Stat. §§ 103B.211 to 103B.255; and

WHEREAS, the Vermillion River Watershed Management Organization, consisting of 21 cities and towns located within the Vermillion River Watershed ceased to exist as of August 1, 2000; and

WHEREAS, Dakota County and Scott County desire to cooperatively carry out their responsibilities and duties pursuant to Minn. Stat. §§ 103B. 211 to 103B.255; and

WHEREAS, Dakota County and Scott County desire to do so pursuant to the authority granted to them pursuant to Minn. Stat. § 471.59.

NOW, THEREFORE, in consideration of the mutual promises and benefits that Dakota County and Scott County shall derive herefrom, Dakota County and Scott County hereby enter into this joint powers agreement for the purposes herein.

I. Purposes.

This Agreement has been executed by Dakota and Scott Counties for the purposes set forth at Minn. Stat. § 103B.201 within the political boundary of the Vermillion River watershed located in Dakota County and Scott County, as shown on the attached Map A, hereby incorporated by reference. Specifically, the purpose of this Agreement is to establish a joint powers board that will (1) exercise leadership in the development of policies, programs and projects that will promote the accomplishment of the purposes found at Minn. Stat. § 103B.201, including the preparation, adoption and implementation of the plan required by Minn. Stat. § 103B.211 for the Vermillion River watershed and (2) guide and assist Dakota County and Scott County in acting

jointly and individually to take actions that will promote the goals listed in Minn. Stat. § 103B.201 and fulfill their responsibilities under Chapter 103B.

II. Joint Powers Board.

A. Creation and Composition of Joint Powers Board.

A joint powers board, known as the Vermillion River Watershed Joint Powers Board (VRWJPB), is established for the purposes contained herein with the powers and duties set forth in this Agreement. The VRWJPB shall consist of one county commissioner from Scott County and two county commissioners from Dakota County. The board of commissioners of each county shall appoint, by resolution, its representative(s) to the VRWJPB, together with one alternate commissioner. Resolutions appointing representatives of each county shall be filed with the clerk to the board of commissioners of Dakota County.

B. Terms.

Each county representative and alternate shall be appointed for a two-year term, except that the terms of the initial members shall extend from the date of their appointment through December 31, 2004. In the event that any county representative or alternate shall not have been appointed by the board of commissioners prior to expiration of the representative's term, the incumbent representative shall serve until a successor has been appointed.

C. Vacancies.

If the appointment of any representative commissioner or alternate is vacated before the end of the term, the vacancy shall be filled by appointment by the appropriate county board of commissioners. A vacancy shall be deemed to have occurred when any of the conditions specified in Minn. Stat. § 351.02 exist or if a representative fails to qualify or act as a commissioner.

D. Chair and Vice-chair.

The VRWJPB shall elect a chair and a vice-chair from its membership for one-year terms. The chair shall preside at all meetings of the VRWJPB and shall perform other duties and functions as may be determined by the VRWJPB. The vice-chair shall preside over and act for the VRWJPB during the absence of the chair.

E. Secretary/Treasurer.

The VRWJPB shall elect a secretary/treasurer from its membership for a one-year term. The secretary/treasurer shall submit all minutes of VRWJPB

meetings for approval by the VRWJPB and shall assist the chair in overseeing the VRWJPB's budget and finances.

F. Meetings.

The VRWJPB shall have regular meetings at least annually and at such times and places as the VRWJPB shall determine. Special meetings may be held on reasonable notice by the chair or by a majority of the VRWJPB upon terms and conditions as the VRWJPB may determine. The presence of a majority of the VRWJPB at a meeting shall constitute a quorum. The VRWJPB shall be subject to the requirements of the Open Meeting Law, Minn. Stat. Ch. 13D.

G. Voting.

Each county representative shall be entitled to one vote. If a county representative is absent that county's alternate is entitled to one vote. If more than one Dakota County representative is absent, Dakota County's alternate shall be entitled to only one vote. The VRWJPB shall function by a majority vote of the county representatives present.

H. Staff.

Dakota County and Scott County shall provide staff support to the VRWJPB. Dakota County and Scott County shall provide legal services as needed, and in accordance with law.

I. Duties of the VRWJPB.

The VRWJPB shall have the responsibility to prepare, adopt and implement a plan for the Vermillion River watershed that meets the requirements of Minn. Stat. § 103B.231; the responsibility to review and approve local water management plans as provided in Minn. Stat. § 103B.235; the responsibility to regulate the use and development of land in the Vermillion River watershed if the conditions found at Minn. Stat. §. 103B.211, subd. 1(3)(i)(ii)(iii) are present.

III. Powers of the VRWJPB.

A. General Powers.

The VRWJPB is hereby authorized to exercise such authority as is necessary and proper to fulfill its purposes and perform the duties identified in paragraph II(I) above. Such authority shall include, but not be limited to, those specific powers enumerated in paragraph III (Sections B through I) herein. The VRWJPB may refer decisions for approval by the boards of commissioners of

Dakota County and Scott County. The VRWJPB shall not have the authority described at Minn. Stat. § 103B.211, subd. 1(a)(6).

B. Contracts.

The VRWJPB may enter into any contract necessary or proper for the exercise of its powers or the fulfillment of its duties and enforce such contracts to the extent available in equity or at law, including contracts with Dakota County and/or Scott County. Additionally, the VRWJPB may enter into agreements pursuant to Minn. Stat. § 471.59. The VRWJPB may approve any contract up to the amount included in the approved annual budget and may authorize its chair to execute these contracts. No payment on any invoice for services performed by a consultant or any other person or organization providing services in connection with this Agreement shall be authorized unless approved by the chair and vice-chair or by the chair and secretary/treasurer. The chair shall report to the VRWJPB and the VRWJPB shall ratify any such payments authorized under this provision at its next regular meeting.

C. Funds.

The VRWJPB may disburse funds in a manner which is consistent with the Agreement and with the method provided by law for the disbursement of funds by the parties to this Agreement.

D. Bylaws.

The VRWJPB shall have the power to adopt and amend such bylaws that it may deem necessary or desirable for the conduct of its business. Such bylaws shall be consistent with this Agreement and any applicable laws or regulations.

E. Grants and Loans.

The VRWJPB may apply for and accept gifts, grants or loans of money, other property or assistance from the United States government, the State of Minnesota, or any person, association or agency for any of its purposes; enter into any agreement in connection therewith; and hold, use and dispose of such money, other property and assistance in accordance with the terms of the gift, grant or loan relating thereto.

F. Property.

The VRWJPB may hold such property as may be required to accomplish the purposes of this Agreement and upon termination of this Agreement make distribution of such property as is provided for in this Agreement.



G. Insurance.

The VRWJPB may obtain any liability insurance or other insurance it deems necessary to insure itself and Dakota County and Scott County for action arising out of this Agreement.

H. Exercise of Powers.

All powers granted herein shall be exercised by the VRWJPB in a fiscally responsible manner and in accordance with the requirements of law. The purchasing and contracting requirements of the county which is the lead for the project shall apply to the VRWJPB.

I. Public Participation.

The VRWJPB shall provide for such public participation in the conduct of its activities as will promote understanding of its activities among the public and local governmental units affected by the activities and the informal resolution of disputes or complaints.

IV. Reservation of Authority.

All responsibilities not specifically set out to be jointly exercised by the VRWJPB under this Agreement are hereby reserved to the Counties.

V. Budgeting and Funding.

A. Budget.

By September 1 of each year, the VRWJPB shall adopt a budget for the following calendar year. Any proposed contribution from Dakota County or Scott County which the VRWJPB deems appropriate to be satisfied from the annual property tax levy must be recommended to Dakota County and Scott County prior to the date by which the counties shall establish their maximum levy pursuant to Minn. Stat. § 275.065, subd. 1. Other proposed contributions or assessments from Dakota County or Scott County may be made at any time.

B. County Funding.

If there is proposed funding from Dakota County or Scott County which is to be satisfied from the annual property tax levy, such proposed funding shall not become the obligation of either county unless and until the respective county has agreed to the funding as part of the county's annual budget and levy process pursuant to Minn. Stat. § 275.065. If there is proposed funding from Dakota County or Scott County which is not to be satisfied from the annual

property tax levy, such funding shall not become the obligation of either county until the respective county has agreed by resolution to the funding.

Any proposed funding from Dakota County or Scott County which has been included within the county's levy or which has been approved by resolution of the Dakota County or Scott County board of commissioners shall constitute an assessment against the county and shall be paid over to the VRWJPB pursuant to its terms, this Agreement, and as required by law.

C. Expenditure Policy.

Dakota County and Scott County agree that the budget for each year shall include expenditures which will benefit the portion of the Vermillion River Watershed located in Scott County.

D. Fiscal Agent.

Dakota County agrees to serve as the fiscal agent for the VRWJPB. Dakota County agrees to provide any and all budgeting and accounting services necessary or convenient for the VRWJPB. Such services include, but are not limited to, management of all funds, including county contributions and grant monies; payment for contracted services; relevant record keeping and bookkeeping. The treasurer/auditor of Dakota County shall act as controller for the VRWJPB and shall draw warrants to pay demands against the VRWJPB when the demands have been approved by the VRWJPB. Scott County retains the authority to request reports pertaining to any and all budgeting and accounting services. All interest earned from VRWJPB funds shall be credited back to that fund.

E. Accountability.

All funds shall be accounted for according to generally accepted accounting principles.

VI. Watershed Planning Commission.

As soon as practicable after appointment of the VRWJPB, the VRWJPB by resolution shall establish and make appointments to the Watershed Planning Commission (WPC). The VRWJPB shall utilize an open appointments process for making these appointments.

A. Responsibilities of WPC.

The WPC shall have the responsibility to advise the VRWJPB with respect to implementation of the VRWJPB's duties pursuant to this Agreement, including the responsibility to review, comment and recommend upon the proposed

watershed management plan; review, comment and recommend upon the proposed annual work plan and budget; and recommend action regarding disputes pursuant to section IX hereof.

B. Membership.

The WPC shall consist of nine members who are residents of the Vermillion River Watershed. One shall be from Scott County and eight shall be from Dakota County. WPC members shall be appointed to three-year staggered terms. WPC members must be and remain residents of the watershed and the County from which they were appointed. WPC members are limited to serving two consecutive terms.

C. Conflict of Interest.

If any WPC member has a financial interest or personal interest with respect to the parties involved, or stands to realize a financial or personal gain or loss with respect to an action on any matter coming before the WPC, that member shall disclose this fact and be disqualified from taking part in any discussion or action on the matter as a member of the WPC. The chair of the WPC shall make rulings on such disqualifications. Any WPC member who believes that the WPC chair should be disqualified from any matter hereunder may refer the matter to the vice-chair who shall make a ruling on such disqualification.

D. Compensation.

Members of the WPC shall be eligible to receive a per diem payment of \$35 per meeting in lieu of expenses.

E. Officers.

The WPC shall elect a chair and vice-chair from among its members. The chair and vice-chair shall serve for one-year terms.

F. Meetings.

The WPC shall meet regularly pursuant to a schedule established by the WPC. Special meetings may be called by the chair. The WPC shall be subject to the Open Meeting Law, Minn. Stat. Ch. 13D.

G. Bylaws.

The WPC shall adopt bylaws governing its activities. Such bylaws shall be subject to approval by the VRWJPB and shall be consistent with law and terms of this Agreement.

H. Staff Support.

Dakota County and Scott County shall provide staff support to the WPC. The cost of such support will be funded through the budget of the VRWJPB. The VRWJPB also may make technical support available to the WPC.

VII. Indemnification.

If the VRWJPB incurs any expenses as a result of a claim for damages, the expenses and any damages paid shall be assessed against the counties in proportionate shares. Proportionality will be measured with reference to fault, percentage of county financial contribution, location of the project or other similar factors giving rise to the damages or expenses. Dakota County and Scott County hereby agree to indemnify, save, hold harmless and defend the VRWJPB, its officers, employees, and agents for negligent or intentional acts or omissions of itself, its officers, employees, and agents that result in expenses or damages assessed against the VRWJPB.

VIII. Records, Accounts, and Reports.

The books and records of the VRWJPB shall be subject to the provisions of Minn. Stat. Ch. 13. The VRWJPB annually shall give a complete written report of all financial activities for the previous fiscal year to the counties.

IX. Dispute Resolution.

Disputes between Dakota County and Scott County may be addressed by any means agreed upon by them, and may include the procedures set forth at Minn. Stat. § 103B.345.

X. Termination.

This Agreement shall terminate upon the withdrawal of either member county. Either county may withdraw upon one year's written notice to the other county. Withdrawal shall not act to discharge any liability incurred or chargeable to the withdrawing county before the effective date of the withdrawal. Such liability shall continue until discharged by law or agreement.

XI. Distribution of Surplus Funds and Property.

Upon termination of this Agreement, funds and property held by the VRWJPB shall then be distributed to Dakota County and Scott County in proportion to their contributions.

XII. Amendments.

This Agreement may be amended only in writing and upon consent of each of the county boards of commissioners of Dakota County and Scott County.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

Approved as to form:

Karen Schaffer 8/9/02  
Assistant Dakota County Attorney/Date

COUNTY OF DAKOTA

By Donald J. Maher  
Donald J. Maher  
Chair, Board of Commissioners  
Date of Signature 8-20-02

ATTEST:

Mary S. Scheide  
Mary Scheide  
Clerk to the Board  
Date of Signature 8-20-02

Approved as to form:

Ann Marshall  
Assistant Scott County Attorney/Date

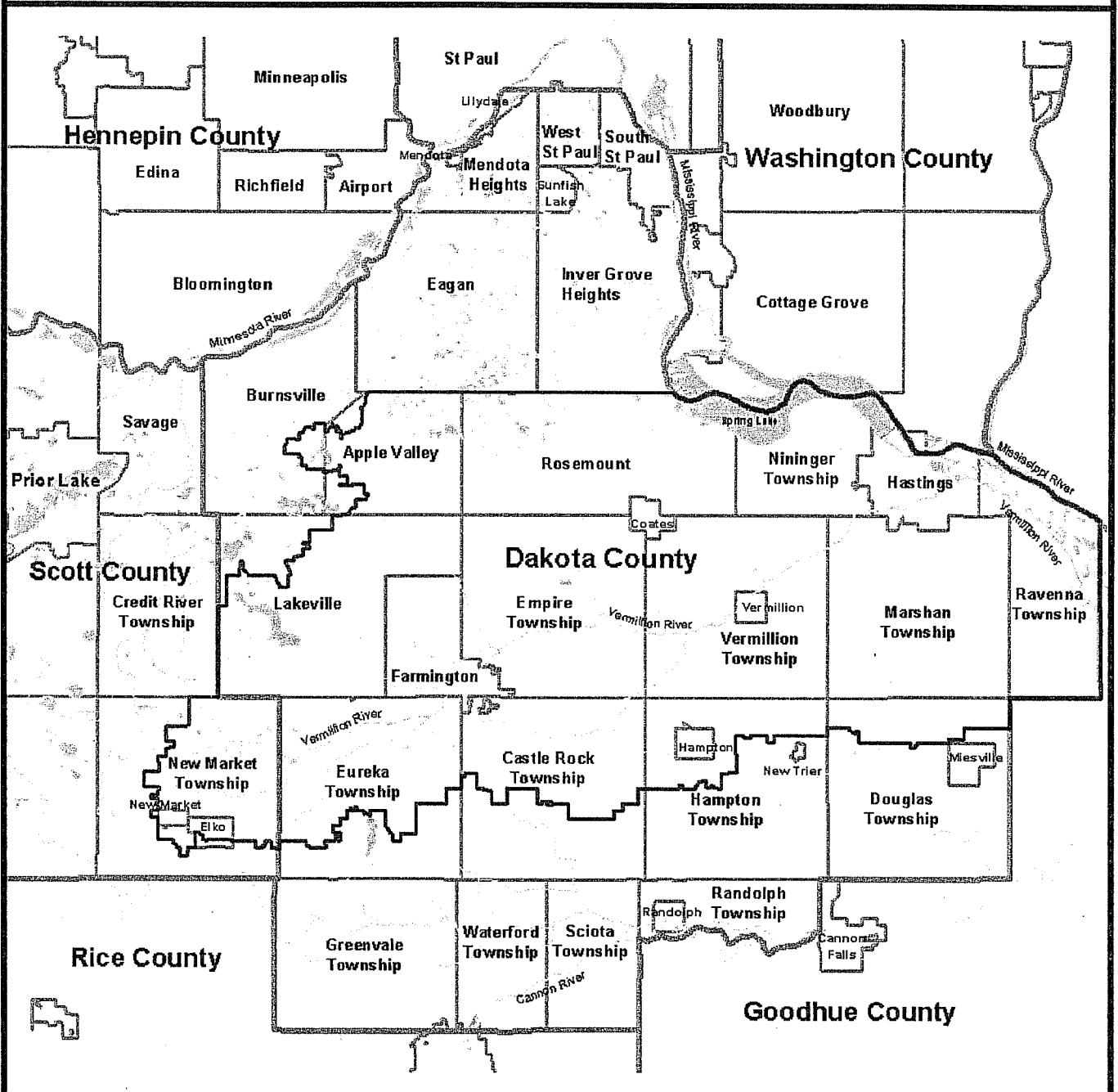
COUNTY OF SCOTT

By Barbara Marshall  
Title Chair  
Date of Signature 9/3/02

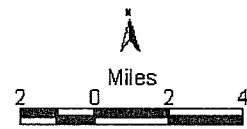
ATTEST:

John T. Platt  
Title County Administrator  
Date of Signature 9-5-02

# Vermillion River Watershed



- Vermillion River Watershed (Dakota County)
- Vermillion River Watershed (Scott County)



Prepared by: Dakota County Office of Planning, 2002