Agenda: Vermillion River Watershed Joint Powers Board (VRWJPB) Meeting

Date and time: December 3, 2026, 1 p.m., in-person at the Dakota County Extension and Conservation Center and virtually via Microsoft Teams

1. Call to Order		
2. Roll Call		
3. Audience Comments on Items Not on the Agenda *(please limit audience comments to five minutes)*		
4. Approval of Agenda	Action	Page 1
5. Approval of Minutes from the September 24, 2026, Meeting	Action	Page 3
6. Consent Agenda	Action	
a. Acceptance of Treasurer's Reports		Page 7
b. Approval of Dates for 2027 Vermillion River Watershed Joint Powers Board Meeting		Page 9
c. Authorization to Amend a Joint Powers Agreement with Dakota County for 2027 Administration, Staffing and Support Services		Page 11
d. Authorization to Execute a Joint Powers Agreement with Scott Soil and Water Conservation District for Annual Services		Page 24
7. Approval of Expenses	Action	Page 33
8. Business Items		
a. Approval of Vermillion River Watershed Joint Powers Organization Final 2027 Budget and Levy	Action	Page 35
b. Presentation of the Results of the Vermillion River Watershed Joint Powers Organization's 2025 Financial Audit	Information	Page 38
c. Vermillion River Watershed Joint Powers Board Direction on Insurance Coverage for the Vermillion River Watershed Joint Powers Organization	Information	Page 46
9. Staff Reports		
10. Adjourn	Action	

Please note, the December 3, 2026, Vermillion River Watershed Joint Powers Board meeting will take place **in-person** in Conference Room A at the Dakota County Extension and Conservation Center, located at 4100 220th Street West, Farmington, MN; and **online** via the Microsoft Teams link provided.

Some VRWJPB members may be participating in this meeting via interactive technology, in compliance with Minn. Stat. 13D.04.

Join meeting: https://teams.microsoft.com/meet/2751137280878961?p=1kNNLauRlafw2YfrKb
Meeting ID: 275 113 728 087 896 1
Passcode: xu92Hf2z
Need help? | System reference
Dial in via phone: +1 651-273-3070,,820593094# United States, Hastings
Find a local number
Phone conference ID: 820 593 094#

Other Information

Next meeting date: January 28, 2027, 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)

Date: Thursday, September 24, 2026, 1 p.m., in-person at the Dakota County Extension and Conservation Center, Farmington, MN, and virtual via Microsoft Teams

JPB Members in Attendance

- Dakota County Commissioner Mike Slavik
- Dakota County Commissioner Mary Hamann-Roland
- Scott County Commissioner Tom Wolf

Vermillion River Watershed Community Advisory Committee (CAC) Members in Attendance

- Brad Blackett

Vermillion River Watershed Joint Powers Organization (VRWJPO) Staff in Attendance

- Travis Thiel, VRWJPO Administrator, Dakota County
- Jeff Dunn, VRWJPO Water Resources Engineer, Dakota County
- Kelly Perrine, VRWJPO Senior Watershed Specialist, Dakota County

Others in Attendance

- Bruce Johnson, Board of Supervisors, Dakota County Soil and Water Conservation District (SWCD)
- Brian Wisdorf, Assistant County Attorney and VRWJPO Legal Counsel, Dakota County (virtual)
- John Powell, Public Works Director/City Engineer, City of Farmington

Agenda

1. Call to Order

The meeting was called to order by Chair Slavik at 1 p.m.

2. Roll Call

Commissioners Slavik, Hamann-Roland, and Wolf were present in-person.

3. Audience Comments on Items Not on the Agenda

None.

4. Approval of Agenda

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Res. No. VRW 26-37: Motion by Commissioner Hamann-Roland to approve the agenda, seconded by Commissioner Wolf. Motion carried on a 3-0 voice vote.

5. Approval of Minutes from the August 27, 2026, Meeting

Res. No. VRW 26-38: Motion by Commissioner Wolf to approve the minutes, seconded by Commissioner Hamann-Roland. Motion carried on a 3-0 voice vote.

6. Approval of Consent Agenda

a. Acceptance of Treasurer's Reports
b. Authorization to Amend a Contract with Solitude Lake Management for the Alimagnet Lake Alum Treatment Project

Res. No. VRW 26-39: Motion by Commissioner Hamann-Roland to approve the consent agenda, seconded by Commissioner Wolf. Motion carried on a 3-0 voice vote.

7. Approval of Expenses

Travis Thiel presented the expenses from August 1-31, 2026, totaling $69,149.98.

Res. No. VRW 26-40: Motion by Commissioner Wolf to approve the expenses, seconded by Commissioner Hamann-Roland. Motion carried on a 3-0 roll call vote.

8. Business Items

a. Authorization to Amend a Joint Powers Agreement with the City of Farmington and Dakota County for the 4th and Willow Total Suspended Solids Reduction Project

Jeff Dunn presented the planned total suspended solids (TSS) reduction project at the intersection of Fourth and Willow Streets in Farmington. The project came out of the Watershed-Based Implementation Funding (WBIF) Convene process, a grant for Twin Cities Metropolitan Area watersheds provided by the Minnesota Board of Water and Soil Resources (BWSR) from the Clean Water Fund. The VRWJPB previously approved a joint powers agreement (JPA) between the VRWJPO, Dakota County, and City of Farmington for this project. A manufactured treatment device (MTD) will be installed within existing stormwater infrastructure to move water in a vortex, pushing excess sediment to the sides of the chamber.

The City undertook a detailed feasibility study of the area after the initial JPA was approved. Their final design is nearly complete, and staff plan to begin construction in spring 2027. As a result of the study, the City's consultant informed staff that the construction cost would be 115 percent higher than what the VRWJPO listed in the original WBIF grant agreement.

City staff asked whether the VRWJPO could contribute more funds to offset the higher construction costs. In the original JPA, VRWJPO planned to contribute $39,207 to the project. After reviewing available funds, VRWJPO staff determined it could contribute $100,000, requiring a JPA amendment. The original $39,207 amount will be spent in 2026 as budgeted. The remaining $60,793 will be spent in 2027.

Commissioner Slavik asked what caused the increased construction costs and if the project had changed after the study. John Powell responded that the contractor would have to drill straight down to

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excavate to the installation point, which added cost. This step would allow the project to proceed without disrupting traffic to the nearby Kemps plant. There is also groundwater to contend with amid the size increase of the stormwater outlet.

Res. No. VRW 26-41: Motion by Commissioner Hamann-Roland to approve the JPA amendment, seconded by Commissioner Wolf. Motion carried on a 3-0 voice vote.

9. Staff Reports

Travis Thiel

- Plans to attend the Dakota County Township Officers' meeting that evening, along with Commissioner Slavik and a representative from the North Cannon River Watershed Management Organization, to discuss water in comprehensive planning.

10. Adjourn

Motion by Commissioner Hamann-Roland to adjourn, seconded by Commissioner Slavik. Motion carried on a 3-0 voice vote.

Next meeting date: Thursday, October 22, 2026, 1 p.m., at the Dakota County Extension and Conservation Center, Conference Room A, and via teleconference on Microsoft Teams.

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Certification

Respectfully submitted by

Brita Moore-Kutz

Communications and Outreach Specialist, Vermillion River Watershed Joint Powers Organization

Attest

_____ _____

Scott County Commissioner Tom Wolf, VRWJPB Secretary/Treasurer Date

2026 Vermillion River Watershed Joint Powers Organization

September 2026 Treasurer's Report					
Account Category	**MTD Actuals**	**YTD Actuals**	**% Budget**	**Budget**	**Balance**
41 – County Levies	0	567,620	53%	1,078,225	510,605
41002 – Dakota County Levy	0	544,862	53%	1,037,693	492,831
41031 – Scott County Levy	0	22,758	56%	40,532	17,775
43 – Investment Interest & Wetland Bank Revenue	6,669	111,407	74%	150,000	38,593
43099 - Misc Other Revenue	*0*	*50,012*	*50%*	*100,000*	*49,988*
43291 - Interest on Investments	*6,669*	*61,395*	*123%*	*50,000*	*-11,395*
45 – Permit Revenue	0	0	0%	1,000	1,000
47 – Grant Revenue	0	142,358	11%	1,347,391	1,205,033
49 – Operations & CIP Fund Balance	0	0	0%	401,413	401,413
49495 - Use of Fund Balance (Operations)	*0*	*0*	*0%*	*-301,325*	*-301,325*
49495 - Use of Fund Balance (CIP)	*0*	*0*	*0%*	*702,738*	*702,738*
Total Revenue	**6,669**	**821,385**	**28%**	**2,978,029**	**2,156,644**
53 – Salaries	*36,184*	*367,930*	*68%*	*545,000*	*177,070*
53001 - Dakota County Staff Time	*36,184*	*365,525*	*69%*	*530,000*	*164,475*
53039 - Scott County Staff Time	*0*	*2,405*	*16%*	*15,000*	*12,595*
53 – Dept/County Support	35,149	167,737	66%	253,366	85,629
53002 - Administrative & Consulting	*33,240*	*144,851*	*64%*	*227,266*	*82,415*
53004 - Legal	*1,910*	*22,886*	*88%*	*26,100*	*3,214*
54 – Travel & Training	*2,868*	*3,387*	62%	*5,440*	2,053
55 – Office Support	*55*	*1,322*	109%	*1,211*	-111
57 – Operations & Programs	0	85,341	40%	212,264	126,923
57011 - Monitoring Direct Expenses	*0*	*25,773*	25%	*101,500*	75,727
57011 - Public Outreach Direct Expenses	*0*	*40,089*	50%	*80,024*	39,935
57011 - Feasibilty Direct Expenses	*0*	*12,075*	60%	*20,000*	7,925
57011- Other Direct Expenses	*0*	*7,405*	69%	*10,740*	3,335
59 – CIP	*718,758*	*769,270*	39%	*1,960,748*	1,191,478
Total Expenses	**793,014**	**1,394,988**	**47%**	**2,978,029**	**1,583,041**
VERMILLION RIVER WATERSHED Surplus/Deficit	**-786,344**	**-573,603**		**0**	**-573,603**

2026 Vermillion River Watershed Joint Powers Organization

October 2026 Treasurer's Report

Account Category	MTD Actuals	YTD Actuals	% Budget	Budget	Balance
41 – County Levies	539	568,158	53%	1,078,225	510,067
41002 – Dakota County Levy	539	545,401	53%	1,037,693	*492,292*
41031 – Scott County Levy	0	22,758	56%	40,532	*17,775*
43 – Investment Interest & Wetland Bank Revenue	12,569	143,017	95%	150,000	6,983
43099 - Misc Other Revenue	9,091	78,144	78%	100,000	*21,856*
43291 - Interest on Investments	3,478	64,873	130%	50,000	*-14,873*
45 – Permit Revenue	0	0	0%	1,000	1,000
47 – Grant Revenue	566,327	689,644	51%	1,347,391	657,747
49 – Operations & CIP Fund Balance	0	0	0%	401,413	401,413
49495 - Use of Fund Balance (Operations)	0	0	0%	-301,325	*-301,325*
49495 - Use of Fund Balance (CIP)	0	0	0%	702,738	*702,738*
Total Revenue	**579,434**	**1,400,819**	**47%**	**2,978,029**	**1,577,210**
53 – Salaries	45,407	413,337	76%	545,000	131,663
53001 - Dakota County Staff Time	*45,175*	*410,700*	*77%*	*530,000*	*119,300*
53039 - Scott County Staff Time	*233*	*2,637*	*18%*	*15,000*	*12,363*
53 – Dept/County Support	42,982	210,718	83%	253,366	42,648
53002 - Administrative & Consulting	*41,266*	*186,116*	*82%*	*227,266*	*41,150*
53004 - Legal	*1,716*	*24,602*	*94%*	*26,100*	*1,498*
54 – Travel & Training	210	3,597	66%	5,440	1,843
55 – Office Support	0	1,322	109%	1,211	-111
57 – Operations & Programs	22,735	108,076	51%	212,264	104,188
57011 - Monitoring Direct Expenses	*15,790*	*41,562*	*41%*	*101,500*	*59,938*
57011 - Public Outreach Direct Expenses	*3,270*	*43,359*	*54%*	*80,024*	*36,665*
57011 - Feasibilty Direct Expenses	*3,675*	*15,750*	*79%*	*20,000*	*4,250*
57011- Other Direct Expenses	*0*	*7,405*	*69%*	*10,740*	*3,335*
59 – CIP	43,375	812,645	41%	1,960,748	1,148,103
Total Expenses	**154,708**	**1,549,696**	**52%**	**2,978,029**	**1,428,333**
VERMILLION RIVER WATERSHED Surplus/Deficit	**424,726**	**-148,877**		**0**	**-148,877**

6b. Approval of Dates for 2027 Vermillion River Watershed Joint Powers Board Meetings

Meeting Date: 12/03/2026
Item Type: Consent-Action
Contact: Travis Thiel
Telephone: (952) 891-7546

Resolution

WHEREAS, the Vermillion River Watershed Joint Powers Board is required by its Joint Powers Agreement to hold regular meetings, at least annually; and

WHEREAS, regularly scheduled meetings of the Vermillion River Watershed Joint Powers Board are required to complete its business in a timely and responsible manner.

NOW, THEREFORE, BE IT RESOLVED, that in calendar year 2027, the Vermillion River Watershed Joint Powers Board will meet on the fourth Thursday of the month (except in November and December) at 1 p.m., according to the following schedule:

- January 28
- February 25
- March 25
- April 22
- May 27
- June 24
- July 22
- August 26
- September 23
- October 28
- December 2

Background

Changes to the schedule for November and December are to avoid conflicts with the Thanksgiving and Christmas holidays.

Recommendation

VRWJPO staff recommend approval of the 2027 Vermillion River Watershed Joint Powers Board meeting dates.

Financial and Staffing Impacts

None

Previous Board Actions

None

Attachments

None

6c. Authorization to Amend Joint Powers Agreement with Dakota County for 2026-2027 Administration, Staffing and Support Services

Meeting Date: 12/03/2026
Item Type: Consent-Action
Contact: Travis Thiel
Telephone: (952) 891-7546

Resolution

WHEREAS, the Vermillion River Watershed Joint Powers Board (VRWJPB) is governed by the joint powers agreement (JPA) by and between Dakota County and Scott County dated January 21, 2025, with the counties providing staff support to the VRWJPB; and

WHEREAS, the Vermillion River Watershed Joint Powers Organization (VRWJPO) has an Administrator and other staff services that are currently provided by Dakota County pursuant to a JPA for administration, staffing and support services (Dakota County Contract #DCA23602) that is set to expire on December 31, 2026; and

WHEREAS, some staff services are provided as an underlying overhead cost as identified in Dakota County's Cost Allocation Plan whereas other staff services are provided on a time and materials basis; and

WHEREAS, Dakota County is proposing to amend the JPA to continue the administration, staffing and support services through December 31, 2027; and

WHEREAS, no changes to services or the method by which these services are invoiced or reimbursed are proposed in 2027, and

WHEREAS, before proposing a JPA for 2028 services, Dakota County will revisit and consider the services provided as part of the underlying overhead cost versus those that are provided on a time and materials basis.

NOW, THEREFORE, BE IT RESOLVED, that the VRWJPB authorizes the amendment to the joint powers agreement with Dakota County for administration, staffing and support services; subject to approval by the Dakota County Attorney's Office as to form.

Background

The service agreement for the various (non-legal) staffing and other services the County provides to the Vermillion River Watershed Joint Powers Organization (VRWJPO) is expiring and needs to be extended for another year (Attachment: JPA amendment). Staff and other services provided to the VRWJPO from Dakota County under this agreement include:

Physical Development Division

- Core VRWJPO (Dakota County) staff services provided by Environmental Resources
- Physical Development Administration including Administrative Coordinating Services, Real Estate, and Planning
- Fleet Management
- Transportation, including Survey

Central Operations Division

- Finance, including Contracts, Payroll, Accounts Payable, Accounts Receivable and Purchasing
- Risk Management
- Information Technology, including Geographic Information Systems

Administration

- Human Resources

No changes are proposed to the joint powers agreement (JPA) approved on December 4, 2025, except to extend the term through the end of 2027. If changes to services in 2028 and beyond are justified, they will be reflected in a new JPA for 2028 and future year services.

Recommendation

VRWJPO staff recommend amending the JPA with Dakota County for administration, staffing and support services through 2027.

Financial and Staffing Impacts

The preliminary 2027 VRWJPO budget reflects $532,000 in estimated expenses for Dakota County staff services provided under this agreement in 2027.

Previous Board Actions

VRW 25-44; 12/4/2025

Attachments

Attachment: Draft JPA Amendment for Dakota County Administration, Staffing and Support Services Provided to the VRWJPO

Attachment: Executed 2026 JPA for Dakota County Administration, Staffing and Support Services Provided to the VRWJPO

**FIRST AMENDMENT TO JOINT POWERS AGREEMENT BETWEEN
THE COUNTY OF DAKOTA AND
THE VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION
FOR ADMINISTRATION, STAFFING AND SUPPORT SERVICES**

WHEREAS, effective January 1, 2026, Dakota County (County) and Vermillion River Watershed Joint Powers Organization (VRWJPO) entered into a Joint Powers Agreement for the County's provision of administration, staffing, and support services to the VRWJPO for the term of January 1, 2026 through December 31, 2026; and

WHEREAS, the parties desire to amend Section 3.1 TERM of the Agreement to extend the term of the Agreement through December 31, 2027; and

WHEREAS, the Section 5.6 of the Agreement provides that any amendments shall be valid only when expressed in writing and duly signed by the County and VRWJPO.

NOW, THEREFORE, in consideration of the mutual covenants contained herein the parties agree as follows:

1. To amend Section 3.1 TERM to read as follows:
   Notwithstanding the date of execution of this Agreement, the term of this Agreement shall commence on January 1, 2026 and shall continue in full force until December 31, 2027 unless terminated earlier by either party as permitted herein.

2. This Amendment is effective and enforceable on the date that the parties sign this Amendment.

3. All other terms of the Agreement between the County and VRWJPO for administration, staffing, and support services shall remain in full force and effect.

4. In any case where this First Amendment conflicts with the Agreement, this First Amendment shall prevail.

5. ELECTRONIC SIGNATURES **-** Each party agrees that the electronic signatures of the parties included in this Contract and any amendments are intended to authenticate this writing and to have the same force and effect as wet ink signatures.

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

VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION

By: _____
Mike Slavik or successor
Chair

Date of Signature: _____

COUNTY OF DAKOTA

By: _____
Heidi Welsh or successor,
Dakota County Manager

_____
Date of Signature

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Docusign Envelope ID: F8E11F75-8990-4130-9A2F-A953E903D66B

**JOINT POWERS AGREEMENT BETWEEN
THE COUNTY OF DAKOTA AND
THE VERMILLION WATERSHED JOINT POWERS ORGANIZATION
FOR ADMINSTRATION, STAFFING AND SUPPORT SERVICES**

THIS AGREEMENT ("Agreement") is made and entered into by and between the County of Dakota, Minnesota ("County") and the Vermillion River Watershed Joint Powers Organization, ("VRWJPO"), pursuant to the authority conferred upon them by Minn. Stat. § 471.59. The County and the VRWJPO are also referred to herein as the "Parties."

WHEREAS, the County is a political subdivision of the State of Minnesota; and

WHEREAS, the VRWJPO is an independent joint powers entity created by the County and Scott County to cooperatively carry out their responsibilities and duties under Minn. Stat. §§ 103B.211 to 103B.255; and

WHEREAS, pursuant to the Joint Powers Agreement between the County and Scott County forming the VRWJPO ("VRWJPO JPA"), the County agreed to serve as fiscal agent for the VRWJPO and to provide staff support services to the VRWJPO for its day-to-day operations including assigning an administrator to act as a liaison and perform the duties described in the VRWJPO JPA and the Vermillion River Watershed Management Plan; and

WHEREAS, the County's Physical Development Division currently has assigned County employees to provide services that support the VRWJPO's day-to-day operations and/or perform the duties described in VRWJPO JPA and the Vermillion River Watershed Management Plan as follows: an environmental resources supervisor, a water resources engineer, an environmental specialist, and a communications and outreach specialist ("Watershed Management Unit") to provide services that support the VRWJPO's day-to-day operations and/or perform the duties described in VRWJPO JPA and the Vermillion River Watershed Management Plan; and

WHEREAS, the County's current delegated environmental resources supervisor is the acting "Administrator" of the VRWJPO in accordance with the VRWJPO JPA; and

WHEREAS, the County provides the following services to support the Watershed Management Unit in performing work for the VRWJPO: fleet management services, facilities management services, administrative coordinating services ("ACS"), planning and real estate related services; environmental resources services; information technology services (including geographic information system ("GIS") services); risk management services; finance services (including contracting and purchasing services); and human resource services; and

WHEREAS, the VRWJPO compensates the County for those services provided by the County at County approved rates that include a central overhead cost ("OH Cost") included in the various staff service charges pursuant to the County's Cost Allocation Plan; and

WHEREAS, the VRWJPO desires that the County continue to provide the Watershed Management Unit staffing and those County services identified herein subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and benefits that each party shall derive from this Agreement, and other good and valuable consideration, receipt of which his hereby acknowledged, the Parties agree as follows:

ARTICLE I
PURPOSE

The purpose of this Agreement is to articulate the scope of the County's administration, staffing and support services provided to the VRWJPO.

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ARTICLE II
STAFFING/SERVICES

Section 2.1 General. The County shall provide VRWJPO with staffing identified in Section 2.2.1 for its day-to-day operations and/or to perform the duties described in the VRWJPO JPA and the Vermillion River Watershed Management Plan, including, but not limited to managing the general operations and activities of the VRWJPO, implementation of the watershed plan in Dakota County, and project planning under the direction of the Vermillion River Watershed Joint Powers Board ("VRWJPB"), and any other role generally described in the Vermillion River Watershed Management Plan. The County shall also provide VRWJPO with those administrative and support services identified in Section 2.2.2.

Section 2.2 Scope of Staffing/Services. Subject to the terms and conditions of this Agreement, the Parties agree that the County shall provide the following staffing/services:

2.2.1 Staffing: The County, through the County's Environmental Resources Department, shall provide:

a. an Administrator as identified in the VRWJPO JPA; and
b. other County staffing positions accounted for in the VRWJPO budget

(collectively, "Watershed Management Unit").

2.2.2 Services: The County shall provide the following services in support of the Watershed Management Unit performing work for the VRWJPO: fleet management services, facilities management services, administrative coordinating services ("ACS"), planning and real estate related services; environmental resources services; information technology services (including geographic information system ("GIS") services); risk management services; finance services (including contracting and purchasing services); and human resource services.

2.2.3. Training: The Watershed Management Unit shall be authorized to attend mandatory County provided training as required by the County. Any training of the Watershed Management Unit deemed necessary by the VRWJPO Administrator shall be provided to the Watershed Management Unit at the expense of the VRWJPO.

2.2.4 Performance: The VRWJPB shall direct any concerns it has with the Watershed Management Unit staffing services provided pursuant to this Agreement to the Dakota County Environmental Resources Department Director. The VRWJPB shall direct any concerns it has with the County provided services to the applicable division director. All reviews and any discipline of County employees, including the Watershed Management Unit, shall be performed/imposed solely by the County.

ARTICLE III
TERM OF AGREEMENT

Section 3.1 Term. Notwithstanding the date of execution of this Agreement, the term of this Agreement shall commence on January 1, 2026 and shall continue in full force until December 31, 2026 unless terminated earlier by either party as permitted herein.

Section 3.2 Termination. Either party may terminate this Agreement without cause upon giving at least 30 days written Notice. In the event of termination under this Section, and if requested by the VRWJPO, the County will provide the VRWJPO with copies of documents in its possession related to the provision of services under this Agreement. Upon termination, the County shall be entitled to receive compensation for the staffing and services provided in a satisfactory manner up to and including the effective date of termination, including any costs incurred in providing such staffing and services.

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ARTICLE IV
COMPENSATION

Section 4.1 Compensation. In consideration of the County's staffing services for the VRWJPO's day-to-day operations and/or to perform the duties described in the VRWJPO JPA and the Vermillion River Watershed Management Plan, including overhead, under this Agreement, the VRWJPO will pay the County for these services as determined yearly through the budgeting process. The County's compensation for providing information technology services, (excluding GIS services), risk management services, and finance services (excluding contracting and purchasing services), fleet management services, facilities management services, and human resources services pursuant to this Agreement are included as OH Cost based on the County's Cost Allocation Plan. In consideration of the County providing GIS, planning, real estate, ACS, and environmental resource services, the VRWJPO will pay the County monthly for those services at County approved rates.

The VRWJPO shall reimburse the County for expenses incurred by the Watershed Management Unit and incurred by the County in performing the administration, staffing and support services provided hereunder.

Section 4.2 Payment. The time spent by the Watershed Management Unit and other County departments providing services hereunder that are charged at County approved rates, along with their expenses related to the VRWJPO shall be submitted to the County's Finance Department on a monthly basis, processed by the County's ACS, and funds transferred by the County's Finance Department from VRWJPO account(s) to the appropriate County accounts. The compensation for the staffing/services provided hereunder shall be reflected in the reports provided to the VRWJPB.

ARTICLE V
GENERAL PROVISIONS

Section 5.1 Compliance with Laws and Standards**.** The Parties agree to comply with all federal, state and local laws, statutes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to this Agreement or to the facilities, programs and staff for which the Parties are responsible.

Section 5.2 Accountability for Funds. All funds shall be accounted for according to generally accepted accounting principles. All pertinent books, records, documents, and accounting procedures and practices shall be maintained by the County and made available to VRWJPO, its members, and the State Auditor upon reasonable notice and shall be retained in accordance with state law.

Section 5.3 Data Privacy and Security Compliance. The Parties agree that all data created, collected, received, stored, used, maintained or disseminated in implementing this Agreement shall be treated in compliance with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, (MGDPA) and all other federal, state and local laws that apply to such data.

Section 5.4 Non-Employee Status**.** In implementing the terms of this Agreement, the County employee staffing provided pursuant to Section 2.2.1 and the County employees providing the services identified in Section 2.2.2 shall remain employees of the County at all times when this Agreement is in effect, and as such are governed by the personnel policies applicable to County employees, and receive the same benefits from the County as any other County employee, including human resources support. Each Party is solely responsible for the acts and omissions of its employees and agents and any claims that may arise therefrom.

Section 5.5 Knowing and Voluntary Agreement. VRWJPO acknowledges and agrees that it has entered into this Agreement knowingly and voluntarily. VRWJPO further acknowledges that it has been provided an opportunity to consult with an attorney of its choosing in connection with the negotiation and preparation of this Agreement.

Section 5.6 Modification. Any amendments, changes, or modifications to this Agreement shall be valid only if reduced to writing and signed by the County and VRWJPO.

Section 5.7 Waiver. No waiver of any provision of this Agreement shall be valid unless it is reduced to writing and signed by the County and VRWJPO. The failure by one Party to require performance of any provision of this Agreement shall not affect that Party's right to require performance at any time thereafter, nor shall a waiver of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of any provision of this Agreement.

Section 5.8 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 Party, its officers, employees, or agents. The provisions of the Minnesota Tort Claims Act, Minn. Stat. Ch. 466 and other applicable laws govern the liability of both the County and VRWJPO. In the event any claims or actions asserted or filed against either 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.

Section 5.9 Force Majeure. Neither Party shall be liable to the other Party for any loss or damage resulting from a delay or failure to perform due to unforeseeable acts or events outside the defaulting Party's reasonable control, provided the defaulting Party gives notice to the other party as soon as possible. Acts and events may include acts of God, acts of terrorism, war, fire, flood, epidemic, acts of civil or military authority, and natural disasters.

Section 5.10 Notices. Except as provided elsewhere in this Agreement, any notice or demand ("Notice") must be in writing and provided as follows to the other Party's Authorized Representative: (a) personal delivery; (b) first class mail; or (c) nationally recognized overnight courier, with tracking service and all fees and costs prepaid. Except as provided elsewhere in this Agreement, a Notice is effective only if the Authorized Representative has received the Notice ("Receipt").

Receipt is effective when the Notice is delivered pursuant to the above-approved methods. However, if the Authorized Representative rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change of address for which no Notice was provided, then Receipt is effective upon rejection, refusal, or inability to deliver.

Section 5.11 Authorized Representative. The signatories of this Agreement, or their successors, are designated as the Authorized Representatives of the Parties for purposes of this Agreement and notices described in 5.10 of this Agreement. The Parties shall provide Notice to each other of any change to the Authorized Representative, which will be effective without necessitating written amendment of the Agreement.

Section 5.12 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 substantially impair the value of the entire Agreement with respect to either Party.

Section 5.13 Minnesota Law to Govern. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Minnesota, without giving effect to the principles of conflict of laws. Venue and jurisdiction for any litigation related to this Agreement must be in those courts located within Dakota County, State of Minnesota or U.S. District Court, District of Minnesota.

Section 5.14 Complete Agreement. With respect to its subject matter, this Agreement represents the complete and exclusive agreement between the Parties and supersedes any and all prior agreements.

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

VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION

Signed by:

By _____
19A274DE3CBA47C...
Tom Wolf or successor, Chair

Date of Signature: 12/31/2025 | 3:33 PM CST

VRW Res. No. 25-45

COUNTY OF DAKOTA

Signed by:

By _____
FBB3D9F021BD41C...
Heidi Welsch or successor,
Dakota County Manager

Date of Signature: 01/05/2026 | 4:43 PM CST

County Board Res. No. 25-609

Certificate Of Completion

Envelope Id: 7BEB084C-543F-4339-B5EE-82C1CB525816
Status: Completed
Subject: DCA23602 JPA VRWJPO Staffing Services (DD)
Source Envelope:
Document Pages: 5
Signatures: 1
Certificate Pages: 4
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-06:00) Central Time (US & Canada)

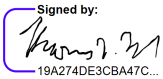
Envelope Originator:
Dakota County PD Contracts
1590 Highway 55
Hastings, MN 55033
pdcontracts@co.dakota.mn.us
IP Address: 71.34.54.90

Record Tracking

Status: Original
12/31/2025 2:16:53 PM
Holder: Dakota County PD Contracts
pdcontracts@co.dakota.mn.us
Location: DocuSign

Security Appliance Status: Connected
Pool: StateLocal

Storage Appliance Status: Connected
Pool: Dakota County
Location: Docusign

Signer Events	Signature	Timestamp
Tom Wolf twolf@co.scott.mn.us Chairman Security Level: Email, Account Authentication (None)	Signed by:  19A274DE3CBA47C... Signature Adoption: Drawn on Device Using IP Address: 2600:1014:b070:21e0:c018:431f:e24b:f74c Signed using mobile	Sent: 12/31/2025 2:18:19 PM Viewed: 12/31/2025 3:31:50 PM Signed: 12/31/2025 3:33:21 PM

Electronic Record and Signature Disclosure:
Accepted: 12/31/2025 3:31:50 PM
ID: dee8bfa7-64ac-42ee-9eef-3eb3c84d637b

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/31/2025 2:18:19 PM
Certified Delivered	Security Checked	12/31/2025 3:31:50 PM
Signing Complete	Security Checked	12/31/2025 3:33:21 PM
Completed	Security Checked	12/31/2025 3:33:21 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Dakota County (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Dakota County:

Docusign Envelope ID: F8E11F75-8990-4130-9A2F-A953E903D66B

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: bruce.peters@co.dakota.mn.us

To advise Dakota County of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at bruce.peters@co.dakota.mn.us and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from Dakota County
To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to bruce.peters@co.dakota.mn.us and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.
To withdraw your consent with Dakota County

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an e-mail to bruce.peters@co.dakota.mn.us and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	• Allow per session cookies

Docusign Envelope ID: F8E11F75-8990-4130-9A2F-A953E903D66B

	• Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Dakota County as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Dakota County during the course of my relationship with you.

Certificate Of Completion

Envelope Id: F8E11F75-8990-4130-9A2F-A953E903D66B
Status: Completed
Subject: DCA23602 JPA VRWJPO Staffing Services (DD)
Source Envelope:
Document Pages: 9
Signatures: 1
Certificate Pages: 1
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-06:00) Central Time (US & Canada)

Envelope Originator:
Dakota County PD Contracts
1590 Highway 55
Hastings, MN 55033
pdcontracts@co.dakota.mn.us
IP Address: 207.171.99.1

Record Tracking

Status: Original
1/5/2026 4:30:49 PM
Holder: Dakota County PD Contracts
pdcontracts@co.dakota.mn.us
Location: DocuSign

Security Appliance Status: Connected
Pool: StateLocal

Storage Appliance Status: Connected
Pool: Dakota County
Location: Docusign

Signer Events	Signature	Timestamp
Heidi Welsch heidi.welsch@co.dakota.mn.us County Manager Dakota County Security Level: Email, Account Authentication (None)	Signed by:  FBB3D9F021BD41C... Signature Adoption: Pre-selected Style Using IP Address: 207.171.99.1	Sent: 1/5/2026 4:32:19 PM Viewed: 1/5/2026 4:43:39 PM Signed: 1/5/2026 4:43:55 PM

Electronic Record and Signature Disclosure:
Not Offered via Docusign

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	1/5/2026 4:32:19 PM
Certified Delivered	Security Checked	1/5/2026 4:43:39 PM
Signing Complete	Security Checked	1/5/2026 4:43:55 PM
Completed	Security Checked	1/5/2026 4:43:55 PM

Payment Events	Status	Timestamps

6d. Authorization to Execute a Joint Powers Agreement with Scott Soil and Water Conservation District for 2027 Services

Meeting Date: 12/03/2026
Item Type: Consent-Action
Contact: Melissa Bokman Ermer
Telephone: (952) 496-8887

Resolution

WHEREAS, Scott Soil and Water Conservation District (SWCD) provides a variety of essential services to the Vermillion River Watershed Joint Powers Organization (VRWJPO) each year, including outreach and education, technical assistance and capital improvements; and

WHEREAS, Scott SWCD is proposing to assist the VRWJPO with similar tasks in 2027; and

WHEREAS, the tasks outlined in the Scott SWCD proposed annual work plan and budget are each included as proportional annualized line items in the VRWJPO 2027 Budget in various categories; and

WHEREAS, the VRWJPO relies on Scott SWCD's established programs to efficiently implement cost-share funding for improvement projects in the Vermillion River Watershed.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Joint Powers Board (VRWJPB) authorizes its Chair to execute a joint powers agreement with Scott SWCD in an amount not to exceed $23,100 as presented to the VRWJPB at its meeting on December 3, 2026; subject to approval by the Dakota County Attorney's Office as to form.

Background

The proposed annual work plan and budget include $23,100 to provide public education and outreach services and capital improvement program implementation.

Recommendation

VRWJPO staff recommend executing a joint powers agreement (JPA) with Scott SWCD for 2027 services.

Financial and Staffing Impacts

The preliminary 2027 VRWJPO budget reflects expenses in multiple budget categories for Scott SWCD services in 2027.

Previous Board Actions

None

Attachments

Attachment: Draft JPA with Scott SWCD for 2027 services

JOINT POWERS AGREEMENT
BETWEEN THE VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION
AND
THE SCOTT SOIL & WATER CONSERVATION DISTRICT FOR
SERVICES

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

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

WHEREAS, the Scott Soil & Water Conservation District (SWCD) is a governmental and political subdivision of the State of Minnesota, located wholly within the boundaries of Scott County, with statutory authority to carry out erosion control and other soil and water conversation programs within Scott County pursuant to Minn. Stat. Ch. 103C and as otherwise provided by law; and

WHEREAS, in its 2027 budget, the VRWJPO included funding for the provision of certain services by the SWCD on behalf of the VRWJPO including public outreach and education and capital improvements; and

WHEREAS, the aforementioned services will be of benefit to the Vermillion River Watershed and can be accomplished in a more cost-effective manner by partnering with the SWCD.

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

SECTION 1
PURPOSE

The purpose of this Agreement is to provide a method by which the VRWJPO can utilize the services of the SWCD for activities related to soil and water conservation in the Vermillion River Watershed in a way that best utilizes public funds, resources and technical expertise that each party has to offer to one another.

SECTION 2
PARTIES

The parties to this Agreement are the Vermillion River Watershed Joint Powers Organization (VRWJPO) acting through its Joint Powers Board (VRWJPB) and the Scott Soil & Water Conservation District (SWCD) acting through its Board of Supervisors.

SECTION 3
TERM

Notwithstanding the dates of execution by the Parties, this Agreement shall be effective from January 1, 2027, until December 31, 2027, or until completion by the parties of their respective obligations under this Agreement, whichever occurs first, unless earlier terminated by law or according to the provisions of this Agreement.

SECTION 4
COOPERATION

The VRWJPO and the SWCD 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 any equitable and timely manner.

SECTION 5
SCOPE OF SERVICES AND PAYMENT

5.1 Scope of Services. The SWCD shall provide the services generally described in Exhibit 1, attached and incorporated herein by this reference. Services provided shall be in accordance with the criteria set out in Exhibit 1. Professional services provided under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the SWCD's profession currently practicing under similar conditions. In the event of a conflict between the terms of this Agreement and the Exhibits, the terms of this Agreement shall govern.

5.2 Total Cost. The total amount to be paid by the VRWJPO for all services provided pursuant to this Agreement shall not exceed Twenty-Three Thousand One Hundred and 00/100 Dollars ($23,100.00). The VRWJPO shall pay for purchased services at the rates set out in Exhibit 1.

5.3 Time of Payment. The VRWJPO shall make payment to the SWCD within forty-five (45) days of the date on which an itemized invoice is received. If an invoice is incorrect, defective, or otherwise improper, the VRWJPO shall notify the SWCD within ten (10) days of receiving the incorrect invoice. Upon receiving the corrected invoice from the SWCD, the VRWJPO will make payment within forty-five (45) days.

5.4 Payment for Unauthorized Claims. The VRWJPO may refuse to pay any claim that is not specifically authorized by this Agreement. Payment of a claim shall not preclude the VRWJPO from questioning the propriety of the claim. The VRWJPO reserves the right to offset any overpayment or disallowance of claim by reducing future payments.

5.5 Payment Upon Early Termination. In the event this Agreement is terminated before the completion of services, the VRWJPO shall pay the SWCD for services provided in a satisfactory manner, in a pro-rated sum of the rates set forth in Exhibit 1 based upon actual time spent. In no case shall such payment exceed the total cost of this Agreement.

5.6 Cost Sharing Limitations for Capital Improvement Projects. Funding provided for capital improvement projects under this Agreement may only be utilized for projects located within the Vermillion River Watershed and for projects not directly funded by the VRWJPO. For said projects, the SWCD may only consider providing VRWJPO cost share at an amount not to exceed $50,000 per project where total project costs eligible for consideration under VRWJPO cost share do not exceed $99,999. Proposers of any project exceeding the aforementioned dollar limit must apply directly to the VRWJPO for cost share funding.

SECTION 6
GENERAL PROVISIONS

6.1 SWCD Obligations. In addition to the performance of services as described in Exhibit 1, the SWCD agrees to provide to the VRWJPO complete and unedited copies of any reports prepared in relation to the services provided pursuant to this Agreement. In addition, in all publications, press releases, or presentations to the public related to the services provided under this Agreement, the SWCD shall acknowledge funding by the VRWJPO for all or part of the costs of making such information available to the public.

6.2 Compliance with Laws/Standards. The SWCD agrees to abide by all federal, state or local laws, statutes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to this

Agreement or to the facilities, programs, and staff for which the SWCD is responsible.

6.3 Employee Status. The SWCD, its employees or agents, in implementing the terms of this Agreement are not employees of the VRWJPO. The VRWJPO, its staff or agents, in implementing the terms of this Agreement are not employees of the SWCD.

6.4 Liability for Own Acts. 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 party, its officers, employees, volunteers or agents. The provisions of the Municipal Tort Claims Act, Minn. Stat. Ch. 466 and other applicable laws govern liability of the VRWJPO and the SWCD. In the event of any claims or actions filed against either party, nothing in this Agreement shall be construed to allow a claimant to obtain separate judgments or separate liability caps from the individual Parties.

6.5 Insurance. At its own expense, the SWCD shall procure and maintain the following insurance coverage through a program of insurance or self-insurance:

i. Commercial General Liability coverage in the minimum amount of $500,000 on an occurrence basis.
ii. Commercial Auto Liability coverage in the minimum amount of $500,000 combined single limit.
iii. Professional Liability coverage in the minimum amount of $500,000 per occurrence and aggregate. Such insurance shall be maintained for at least one (1) year from Contract termination.
iv. An umbrella or Excess Liability Insurance policy may be used to supplement SWCD and/or SWCD's subcontractor(s) policy limits to satisfy the full policy limits required by this Agreement.
v. The tort liability amounts under Minnesota Statutes Section 466.04 shall apply to the insurance limits.
vi. Workers Compensation in accordance with the statutory requirements under Chapter 176 of the State of Minnesota Statutes and Employer's Liability coverage in the minimum amount of $500,000.

The SWCD shall pay all retentions and deductibles under such policies of insurance. The SWCD will add the VRWJPO as an additional insured on its general liability and auto liability coverage policies, and require any subcontractor contemplated pursuant to Section 6.7 to add the VRWJPO as an additional insured on its insurance and require the minimum insurance requirements outlined above.

6.6 Records Retention and Audits. The SWCD's bonds, records, documents, papers, accounting procedures and practices, and other records relevant to this Agreement are subject to the examination, duplication, transcription and audit by the VRWJPO, the Legislative Auditor or State Auditor under Minn. Stat. § 16C.05, subd. 5. If services under this Agreement use federal funds these records are also subject to review by the Comptroller General of the United States and his or her approved representative. Following termination of this Agreement, the SWCD must keep these records for six years or longer if any audit-in-progress needs a longer retention time.

6.7 Subcontracting. The VRWJPO and the SWCD understand and agree that one or more of the scope of services set forth in Exhibit 1 to this Agreement may be performed through another agent or subcontractor and that the subcontracting party is responsible for the performance of its subcontractors, unless otherwise agreed. The parties agree that neither will enter into any subcontract for the performance of the services contemplated under this Agreement without prior written consent of the other party and subject to such conditions and provisions as are deemed necessary. It is the responsibility of each party to ensure its subcontractor(s) has adequate and appropriate insurance coverage.

6.8 Timeliness. The VRWJPO and the SWCD agree to perform their respective obligations under this Agreement in a timely manner and keep each other informed about any delays that may occur.

6.9 Default: Force Majeure. Neither party shall be liable to the other party for any loss or damage resulting from a delay or failure to perform due to unforeseeable acts or events outside the defaulting party's reasonable control, providing the defaulting party gives notice to the other party as soon as possible. Acts and events may include acts of God, acts of terrorism, war, fire, flood, epidemic, acts of

civil or military authority, and natural disasters.

6.10 Data Privacy and Confidentiality. Data on individuals collected, created, received, kept or shared by the SWCD under this Agreement is subject to the requirements of the Minnesota Government Data Practices Act (Minn. Stat. Ch. 13) and its implementing rules. Further, federal laws on data privacy may also apply. The SWCD must comply with data privacy laws and rules as if the SWCD was the VRWJPO. The Data Practices Act also applies to subcontractors providing services under this Agreement. If public data is available from the VRWJPO, the SWCD may direct the public to the VRWJPO for access to the data.

The VRWJPO may give the SWCD access to, or the SWCD may become aware of, private or confidential information in performing services under this Agreement. Private and confidential information is data that is not public under the Minnesota Data Practices Act (Minn. Stat. Ch. 13). The SWCD may keep the private and confidential information only for use in performing services under this Agreement. The SWCD must impose procedures as are necessary to assure nondisclosure of private and confidential information directly or indirectly to third parties.

6.11 Assignment. Neither party may assign any of its rights under this Agreement without the prior written consent of the other party. Said consent may be subject to conditions.

SECTION 7
AUTHORIZED REPRESENTATIVES AND LIAISONS

7.1 AUTHORIZED REPRESENTATIVES. The following named persons are designated the Authorized Representatives of the parties for purposes of 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 provided to the following named persons and addresses unless otherwise stated in this Agreement, or in a modification of this Agreement:

TO THE VRWJPO: Mike Slavik or successor, Chair
Vermillion River Watershed Joint Powers Organization
4100 220th Street West, Suite 103
Farmington, MN 55024

TO THE SWCD: Robert Casey or successor, Chair
Scott SWCD
7151 190th Street West, Suite 125
Jordan, MN 55352

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

7.2 LIAISONS. To assist the parties in the day-to-day performance of this Agreement and to ensure compliance and provide ongoing consultation, a liaison shall be designated by the VRWJPO and the SWCD. The VRWJPO and the SWCD 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: Travis Thiel, Administrator
Vermillion River Watershed Joint Powers Organization
Telephone: (952) 891-7546

SWCD Liaison: Troy Kuphal, District Director
Scott SWCD
Telephone: (952) 492-5425

SECTION 8
TERMINATION

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

8.2 TERMINATION BY VRWJPO FOR LACK OF FUNDING. Notwithstanding any provision of this Agreement to the contrary, the VRWJPO may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, Minnesota Agencies, or other funding source, or if its funding cannot be continued at a level sufficient to allow payment of amounts due under this Agreement. Written Notice of Termination sent by the VRWJPO to the SWCD by facsimile is sufficient notice under this section. The VRWJPO is not obligated to pay for any services that are provided after written Notice of Termination for lack of funding. The VRWJPO will not be assessed any penalty or damages if the Agreement is terminated due to lack of funding.

SECTION 9
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, and signed by the Authorized Representatives of the VRWJPO and the SWCD.

SECTION 10
MINNESOTA LAW TO GOVERN

This Agreement shall be governed by and construed in accordance with 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.

SECTION 11
FINAL AGREEMENT AND SEVERABILITY

This Agreement is the final agreement of the parties and the complete and exclusive statement of the terms agreed on and supersedes all prior negotiations, understandings or agreements. 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 either party.

SECTION 12
SURVIVORSHIP

The following provisions of this Agreement survive after the termination date of this Agreement: Section 6.4 (Liability); Section 6.6 (Records Detention and Audits); Section 6.10 (Data Privacy and Confidentiality); and Section 10 (Minnesota Law to Govern).

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DRAFT

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

SCOTT SOIL & WATER CONSERVATION DISTRICT

DRAFT ONLY

By _____
Robert Casey or successor, Chair
Board of Supervisors
Date of Signature: _____

VERMILLION RIVER WATERSHED JOINT POWERS ORGANIZATION

DRAFT ONLY

By _____
Mike Slavik or successor, Chair
Date of Signature: _____

APPROVED AS TO FORM:

_____
Assistant County Attorney/Date

County Attorney File No. KS-26-607

VRW Res. No. _____

DRAFT

EXHIBIT 1
2027 SCOTT SWCD WORK PLAN AND BUDGET

Activity	Detail	Line Item	
		2026	2027
Public Outreach and Education	Conservation, stormwater and youth education, as detailed in the Scott Clean Water Education Program 2026 Work Plan. Includes but not limited to community events/expos, library displays, news releases, Outdoor Education Day; and workshops	$2,300	$2,400
Capital Improvement Program*	Project development: project idenification and targeting; landowner outreach, engagement and follow up	$2,500	$2,600
	General project design, engineering, contruction and cost share administration: feasibility investigations; surveys; project design and conservation plan preparation; construction inspections and certification; cost share contract administration. Eligible projects to include but not limited to: wetland restoration, streambank stabilization, filter strips, natural landscaping, nutrient management, cover crops, grade stabilization structures, grassed and lined waterways, water and sediment control basins, well decommission.	$10,900	$6,000
	Cost share and financial incentives for approved project applications	$10,000	$11,000
	Program management and administration--workplan and budget developmet; meetings; general program and policy support	$1,000	$1,100
	GRAND TOTAL:	**$26,700**	**$23,100**

* To the maximum extent practical, the SWCD will leverage state and federal grants to implement conservation practices in conjunction with VRWJPO funds. By approval of this work plan, the VRWJPO authorizes the Scott SWCD to utilize funding under this line item to provide financial assistance to landowners and occupiers in the watershed for the implementation of approved practices, as set forth in applicable 2027 cost share and incentive program policies as adopted by Scott SWCD Board of Supervisors. If insufficient CIP funds are available to approve one or more priority project(s), the SWCD will coordinate with JPO staff to request a budget amendment.

DRAFT

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

September 2026 Expense Report

The invoices submitted between August 1 and August 31, 2026
total: $69,149.98

The final invoices submitted between September 1 and September 30, 2026

Invoice	Vendor		Amount
	DC Staff	$	36,183.97
	DC Legal Fees	$	1,909.51
AR-0000002245	City of Hastings	$	250,126.48
App #1	McNamara Construction	$	404,720.25
P Card	2026 MN Water Conference KPerrine	$	500.00
P Card	2026 MN Water Conference BMoore-Kutz	$	500.00
P Card	2026 MN Water Conference J Dunn	$	500.00
P Card	2026 MN Water Conference T Thiel	$	500.00
P Card	MAGC 2026 BMoore-Kutz	$	230.00
P Card	K Perrine Beaver Institute Conf	$	637.79
SIN012201	Moore Engineering	$	22,230.75
SIN012388	Moore Engineering	$	996.25
SIN012389	Moore Engineering	$	40,684.46
00222-0024-4	Emmons & Olivier	$	33,239.50
September 2026	Postage Charges	$	54.60
		TOTAL	**$ 793,013.56**

Action Requested: Approval of all expenses as presented

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

October 2026 Expense Report

The invoices submitted between September 1 and September 30, 2026
total: $793,013.56

The final invoices submitted between October 1 and October 31, 2026

Invoice	Vendor		Amount
	DC Staff Time	$	45,174.63
	DC Legal Fees	$	1,716.14
23191497.01 - 15	Barr Engineering	$	553.50
CI-000001744	Scott County	$	232.62
R-030811-000-8	WSB	$	14,583.75
SIN011565	Moore Engineering	$	992.50
3579	Dakota County Soil & Water Conservation District	$	35,591.00
00222-0024-5	Emmons & Olivier	$	21,884.50
AR-0000000142	City of Farmington	$	3,165.00
R-030811-000-9	WSB	$	4,797.25
SIN013403	Moore Engineering	$	24,409.25
2598696	Stantec	$	1,398.07
EXP	Kelly Perrine - BeaverCon Mileage	$	66.57
EXP	Travis Thiel - Township Officer Mtg Mileage	$	27.06
EXP	Travis Thiel - Water Resource Conf Mileage	$	51.68
EXP	Kelly Perrine - Water Resource Conf Mileage	$	31.00
EXP	Travis Thiel - Water Resource Conf Parking	$	33.70
	TOTAL	**$**	**154,708.22**

Action Requested: Approval of all expenses as presented

8a. Approval of Vermillion River Watershed Joint Powers Organization Final 2027 Budget and Levy

Meeting Date: 12/03/2026
Item Type: Regular-Action
Contact: Travis Thiel
Telephone: (952) 891-7546

Resolution

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

WHEREAS, the Vermillion River Watershed Joint Powers Board (VRWJPB) is authorized by Minn. Stat. § 103B.211 and the Joint Powers Agreement between Dakota and Scott Counties that established the VRWJPO to adopt a budget for the VRWJPO and decide on the total amount necessary to be raised from the Watershed Management Tax District levy to meet its budget; and

WHEREAS, the VRWJPB is required to adopt a preliminary budget for the VRWJPO by September 1 for the following calendar year; and

WHEREAS, at their August 27, 2026, meeting, the VRWJPB adopted a preliminary 2027 budget of $1,991,363 and a maximum Watershed Management Tax District levy of $1,132,136, a five-percent levy increase compared to 2026; and

WHEREAS, the Dakota County Board of Commissioners were presented with the VRWJPO's preliminary 2027 budget and certified the Dakota County portion of the Watershed Management Tax District levy of $1,090,798 at their September 1, 2026, meeting; and

WHEREAS, the Scott County Board of Commissioners were presented with the VRWJPO's preliminary 2027 budget and certified the Scott County portion of the Watershed Management Tax District levy of $41,338 at their September 15, 2026, meeting; and

WHEREAS, staff have continued to refine the budget VRWJPO 2027 budget and have developed a proposed final 2027 budget of $1,879,413 with a proposed levy of $1,121,354, a four percent increase in the levy compared to 2026; and

WHEREAS, the Vermillion River Watershed Community Advisory Committee met on November 18, 2026, reviewed and discussed the 2027 budget and levy, and approved a recommendation that the VRWJPB adopt the 2027 budget and levy; and

WHEREAS, the VRWJPB has reviewed and discussed the VRWJPO 2027 final budget and Vermillion River Watershed Management Tax District levy.

NOW, THEREFORE, BE IT RESOLVED, that the Vermillion River Watershed Joint Powers Board hereby adopts the Vermillion River Watershed Joint Powers Organization's 2027 Budget totaling $1,879,413 and recommends a Vermillion River Watershed Management Tax District levy of $1,121,354 ($41,206 in the Scott County portion of the watershed and $1,080,148 in the Dakota County portion of the watershed).

Background

The proposed VRWJPO 2027 budget of $1,879,413 includes Minnesota Board of Water and Soil Resources Clean Water Fund Watershed-Based Implementation Funding grants, a Minnesota Pollution Control Agency Planning Grant for Stormwater, Wastewater, and Community Resilience, and the Watershed Management Tax District levy. The 2027 budget reflects recommendations from VRWJPO staff, the Community Advisory Committee, partners, and items from the implementation section of the 2026-2035 Vermillion River Watershed Management Plan.

Recommendation

VRWJPO staff recommend adoption of the VRWJPO 2027 budget of $1,879,413 and Vermillion River Watershed Management Tax District levy of $1,121,354.

Financial and Staffing Impacts

The proposed VRWJPO 2027 Budget is $1,879,413 with a recommended Watershed Management Tax District Levy of $1,121,354, including $41,206 in the Scott County portion of the watershed, and $1,080,148 in the Dakota County portion of the watershed. The proposed 2027 levy represents a four-percent increase over the amount levied in 2026. The estimated tax impact for each county is included in Table 1.

Table 1. 2026 and 2027 Tax Impact Information for those Portions of the Vermillion River Watershed Management Tax District in Dakota County and Scott County

County/Year	Dakota County (2026)	Dakota County (2027)	Scott County (2026)	Scott County (2027)
Tax Capacity	$345,515,962	$361,353,791	$13,481,215	$13,785,172
Median Value Residential Property	$384,400	$392,100	$473,200	$488,000
Tax Impact	$10.05	$10.27	$13.19	$13.59

Previous Board Actions

VRW 26-36; 8/27/2026

Attachments

Attachment: VRWJPO 2027 Budget

VRWJPO 2027 Final Budget

Expense Budget Category	Expense Budget Activity	Operations and Programs Expenses	CIP Expenses	Expenses Total	2026 Expense Amount	% Change
Administration and Operations	Dakota County VRW Staff	$ 185,000	$ -	$ 185,000	$ 227,000	-19%
Administration and Operations	Scott County VRW Staff	$ 15,000	$ -	$ 15,000	$ 15,000	0%
Administration and Operations	Legal Support	$ 26,000	$ -	$ 26,000	$ 25,000	4%
Administration and Operations	Miscellaneous Expenses (per diems, mileage, postage, insurance, etc.)	$ 13,000	$ -	$ 13,000	$ 11,000	18%
Administration and Operations	Training, Conferences, and Certifications	$ 6,000	$ -	$ 6,000	$ 6,000	0%
Planning	Dakota SWCD Incentive Program Policy Assistance	$ 1,500	$ -	$ 1,500	$ 1,500	0%
Planning	VRW Staff	$ 21,000	$ -	$ 21,000	$ 30,000	-30%
Inventory, Assessment, & Research	Monitoring	$ 65,000	$ -	$ 65,000	$ 100,000	-35%
Inventory, Assessment, & Research	USGS and DNR Flow Gaging	$ 34,000	$ -	$ 34,000	$ 20,000	70%
Inventory, Assessment, & Research	VRW Staff	$ 43,000	$ -	$ 43,000	$ 20,000	115%
Inventory, Assessment, & Research	General GIS support (Dakota SWCD)	$ 1,000	$ -	$ 1,000	$ 1,500	-33%
Inventory, Assessment, & Research	Equipment/Supplies	$ 2,000	$ -	$ 2,000	$ 1,000	100%
Inventory, Assessment, & Research	Riparian Vegetation Assessment	$ 30,000	$ -	$ 30,000	New	New
Inventory, Assessment, & Research	Stormwater and Climate Resilience Study	$ 172,000	$ -	$ 172,000	New	New
Communications, Outreach, and Public Relations	VRW Staff	$ 100,000	$ -	$ 100,000	$ 108,000	-7%
Communications, Outreach, and Public Relations	Dakota SWCD Outreach and Education	$ 40,000	$ -	$ 40,000	$ 40,000	0%
Communications, Outreach, and Public Relations	Scott County SWCD Outreach and Education	$ 2,400	$ -	$ 2,400	$ 2,300	4%
Communications, Outreach, and Public Relations	Communication and Outreach Materials and Supplies, Signage	$ 8,500	$ -	$ 8,500	$ 7,500	13%
Communications, Outreach, and Public Relations	Local Standards/Ordinance and Turf/Salt Workshops	$ 4,000	$ -	$ 4,000	$ 2,500	60%
Communications, Outreach, and Public Relations	Children's Water Festival Support	$ 750	$ -	$ 750	$ 600	25%
Communications, Outreach, and Public Relations	Watershed Partners	$ 5,000	$ -	$ 5,000	$ 5,000	0%
Communications, Outreach, and Public Relations	Wetland Health Evaluation Program Sponsorship	$ 1,500	$ -	$ 1,500	New	New
Communications, Outreach, and Public Relations	Stewardship Grant Program	$ 25,000	$ -	$ 25,000	$ 25,000	0%
Regulation	VRW Staff Standards Assistance, Engineering/Environmental Review	$ 55,000	$ -	$ 55,000	$ 45,000	22%
Feasibility & Preliminary Engineering	Preliminary Design, Technical Assistance and Marketing for Capital Improvements (Dakota SWCD)	$ 35,000	$ -	$ 35,000	$ 20,000	75%
Feasibility & Preliminary Engineering	Preliminary Design, Technical Assistance and Marketing for Capital Improvements (VRW staff)	$ 28,000	$ -	$ 28,000	$ 40,000	-30%
Feasibility & Preliminary Engineering	Preliminary Design, Technical Assistance and Marketing for Capital Improvements (Partners/Consulting)	$ 155,000	$ -	$ 155,000	$ 20,000	675%
CIP and Maintenance (General)	Cost Share Programs in Dakota County (SWCD)	$ -	$ 95,000	$ 95,000	$ 60,000	58%
CIP and Maintenance (General)	Cost Share Programs in Scott County (SWCD)	$ -	$ 20,700	$ 20,700	$ 25,000	-17%
CIP and Maintenance (General)	VRW General Cost-share or Miscellaneous Grant Match	$ -	$ 135,000	$ 135,000	$ 40,000	238%
CIP and Maintenance (General)	Past projects maintenance/repair	$ -	$ 40,000	$ 40,000	$ 30,000	33%
CIP and Maintenance (General)	VRW staff construction oversight and grant development and admin	$ -	$ 100,000	$ 100,000	$ 60,000	67%
CIP and Maintenance (General)	Groundwater quantity tactics	$ -	$ 10,000	$ 10,000	New	New
East Lake Fish Management	VRWJPO cost share	$ -	$ 25,000	$ 25,000	$ 10,000	150%
FY24-25 WBIF Farmington 4th & Willow TSS	4th & Willow TSS Reduction grant pass-through	$ -	$ 71,013	$ 71,013	NA	NA
FY24-25 WBIF Farmington 4th & Willow TSS	VRWJPO cash match	$ -	$ 75,000	$ 75,000	NA	NA
FY24-25 WBIF Hastings 15th & Bailly TSS	VRWJPO cash match	$ -	$ 7,000	$ 7,000	$ 111,000	-94%
South Creek Restoration Project Assistance	VRWJPO cost share	$ -	$ 50,000	$ 50,000	NA	NA
FY26-27 WBIF Rosemount Anti-Icing Brine Tank	VRWJPO cash match	$ -	$ 2,800	$ 2,800	New	New
FY26-27 WBIF Lakeville Street Sweeper	VRWJPO cash match	$ -	$ 18,750	$ 18,750	New	New
FY26-27 WBIF Lakeville Middle Creek Channel Stabilization	VRWJPO cash match	$ -	$ 4,500	$ 4,500	New	New
Wetland Bank Credit Sales	Braun Wetland Bank Credit Sales	$ -	$ 150,000	$ 150,000	$ 100,000	50%
Total Expenditures		**$ 1,074,650**	**$ 804,763**	**$ 1,879,413**	**NA**	**NA**
NA	NA	NA	NA	NA		

Revenue Budget Category	Revenue Budget Activity	NA	NA2	Revenue Total
Braun Wetland Bank Credit Revenue	NA	NA	NA	$ 150,000
Use of Fund Balance	NA	NA	NA	$ 415,878
Grant Revenue	NA	NA	NA	$ 142,181
Dakota County Levy	NA	NA	NA	$ 1,080,148
Scott County Levy	NA	NA	NA	$ 41,206
Investment Earnings	NA	NA	NA	$ 50,000
Total Revenues	**NA**	**NA**	**NA**	**$ 1,879,413**

8b. Presentation of the Results of the Vermillion River Watershed Joint Powers Organization's 2025 Financial Audit

Meeting Date: 12/03/2026
Item Type: Regular-Information
Contact: Travis Thiel
Telephone: (952) 891-7546

Resolution

Information only.

Background

Minnesota Rule 8410.0150 states that within 180 days of the end of a watershed management organization's fiscal year, the organization shall submit to the board and the state auditor's office an audit report for the preceding fiscal year if the organization has expended or accrued funds during this time, except as provided in Minnesota Statutes Section 6.756. When a county or city audit report contains financial statements for an organization, the organization must submit to its board excerpts from the audit report concerning the organization within 30 days of completion of the audit report. The audit report must be prepared by a certified public accountant or the state auditor in the format required by the Government Accounting Standards Board.

Per the joint powers agreement between Dakota County and Scott County forming the Vermillion River Watershed Joint Powers Organization (VRWJPO), Dakota County serves as the fiscal agent for the VRWJPO. As part of that responsibility, Dakota County included the VRWJPO in its financial audit. CliftonLarsonAllen, LLP, performed the County and VRWJPO audits. The results of the VRWJPO's financial audit are noted in the attached letters. Dakota County Finance staff will present the results of the VRWJPO 2025 financial audit and be available for any questions.

Recommendation

None

Financial and Staffing Impacts

None

Previous Board Actions

None

Attachments

Attachment: Financial Audit Signed Internal Control Letter
Attachment: Financial Audit Signed Governance Communication Letter

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Vermillion River Watershed Joint Powers Organization
Hastings, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Dakota County, which includes the activities of Vermillion River Watershed Joint Powers Organization (a discretely presented component unit), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Dakota County's basic financial statements, and have issued our report thereon dated June 29, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Vermillion River Watershed Joint Powers Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Vermillion River Watershed Joint Powers Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of Vermillion River Watershed Joint Powers Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-001 that we consider to be a material weakness.

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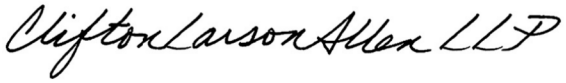
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dakota County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 29, 2026

DAKOTA COUNTY, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2025

2025 – 001: Prior Period Adjustment

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: In 2024, the County recognized revenues from a grant which stipulated the amount should have been unearned until the qualifying expenditures were made.

Criteria or specific requirement: Management is responsible for ensuring revenues from grants are recognized in accordance with the underlying grant agreements.

Effect: The beginning net position for the Vermillion Watershed District was overstated in the prior period.

Cause: Revenue was recorded to the Vermillion Watershed District in 2024 but upon review of the underlying grant agreement, 50% of the awarded amount should have been unearned until the qualifying expenditures were made. The County received $226,184 during 2024 but had no qualifying expenditures prior to December 31, 2024.

Repeat Finding: No

Recommendation: We recommend the County enhance its internal controls to ensure revenues from grants meet the condition for recognition in accordance with the underlying grant agreements.

Views of responsible officials and planned corrective actions: There is no disagreement with the finding. The County will review its controls and procedures over revenues and receivables.

Board of Commissioners
Vermillion River Watershed Joint Powers Organization
Hastings, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Dakota County, which includes the activities of the Vermillion River Watershed Joint Powers Organization (a discretely presented component unit), as of and for the year ended December 31, 2025, and have issued our report thereon dated June 29, 2026. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our statement of work dated January 13, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Dakota County are described in Note 1 to the financial statements.

As described in Note 1, the entity changed accounting policies related to risk disclosures by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 102, *Certain Risk Disclosures*, in 2025. Accordingly, the adoption of this statement resulted in no changes in the financial statement presentation, note disclosures, or required supplementary information.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

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Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements related to the Vermillion River Watershed Joint Powers Organization.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

- During 2025, it was determined that certain unearned revenues were not reported as of December 31, 2024. This resulted in the understatement of liabilities and overstatement of net position, both in the amount of $226,184, due to unearned revenues not being recorded in the prior fiscal year. Management corrected the error through a restatement of beginning net position.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Circumstances that affect the form and content of the auditors' report

As previously communicated to you, our report includes an emphasis-of-matter paragraph to draw attention to the restatement of beginning net position resulting from the correction of a prior-period error related to unearned revenues.

Management representations

We have requested certain representations from management that are included in the management representation letter dated June 29, 2026.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other audit findings or issues

We have provided a separate communication to you dated June 29, 2026, communicating internal control related matters identified during the audit.

Supplementary information in relation to the financial statements as a whole

With respect to the discretely presented component units statements (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated June 29, 2026.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the introductory and statistical sections. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the Board of Commissioners and management of Dakota County and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 29, 2026

8c. Vermillion River Watershed Joint Powers Board Direction on Insurance Coverage for the Vermillion River Watershed Joint Powers Organization

Meeting Date: 12/03/2026
Item Type: Regular-Information
Contact: Travis Thiel
Telephone: (952) 891-7546

Resolution

Information only.

Background

Based on revisions made in 2025 to the joint powers agreement between Scott County and Dakota County that formed the Vermillion River Watershed Joint Powers Organization (VRWJPO), the VRWJPO shall carry an insurance policy. The VRWJPO established its first insurance policy in 2025. The proposed insurance premium is estimated to increase by 19.9% in 2027. As a result of this estimated increase, staff have investigated this matter further. The result of that investigation is summarized in the attached memo.

Staff are seeking Vermillion River Watershed Joint Powers Board (VRWJPB) direction on how the VRWJPB would like to proceed with regards to an insurance policy for the VRWJPO.

Recommendation

None

Financial and Staffing Impacts

If the VRWJPO continues with its existing policy, the premium will increase from $4,315 in 2026 to $5,172 in 2027.

Previous Board Actions

None

Attachments

Attachment: VRWJPO Insurance Memorandum

DATE: November 24, 2026

TO: Vermillion River Watershed Joint Powers Board

FROM: Travis Thiel, Administrator, Vermillion River Watershed Joint Powers Organization

RE: Insurance Policy for the Vermillion River Watershed Joint Powers Organization

The joint powers agreement (JPA) between Dakota County and Scott County was revised in 2025 based on input from both Dakota County and Scott County, with one of the revisions specifying the VRWJPO carry insurance coverage based on input from both counties' Risk Management Departments and County Attorney's Offices. The JPA indicates:

> *The VRWJPO shall obtain protection for the board, participants, sponsoring agencies and any owned property. At a minimum the VRWJPO shall maintain liability coverage for the actions of the VRWJPB with a limit of coverage equal to or greater than the liability limits under Minn. Stats. Ch. 466. The VRWJPO shall also obtain tail coverage following termination of this Agreement to cover the statute of limitations period during which a claim could be made against the VRWJPO/VRWJPB. Any insurance obtained shall name each participant and sponsoring agency as a covered party.*

Beginning in 2025, an insurance policy was acquired through the Minnesota Counties Intergovernmental Trust (MCIT). Prior to 2025 and respective revisions to the JPA, the VRWJPO was covered by the insurance policies of Dakota County and Scott County. Based on the estimated policy premium from MCIT for the VRWJPO's 2027 insurance coverage, the premium is expected to increase from $4,315 to $5,172, a 19.9% increase.

Upon inquiring with MCIT about why the policy premium was increasing so significantly when no prior claims had been made or a perceived change in risk, MCIT indicated they use total budget expenditures from the organization's published budget as the exposure measure for liability coverage. In other words, the VRWJPO's annual premium will vary based on the expenditures in the VRWJPO's annual budget. Because a significant portion of the VRWJPO's budget consists of grant funding sources, most of which are simply pass-through, I had asked if this was a consideration in establishing the premium. MCIT indicated they do not adjust the exposure amount for pass-through funds or consider the source of funds in determining the premium.

When the insurance policy was first established in 2025, the Vermillion River Watershed Joint Powers Board (VRWJPB) inquired whether there was a way to adjust the policy to reduce the premium. Upon investigating this, I was told that the MCIT insurance is not the type of policy that allows you to make "a

la carte" changes to policy elements like deductibles to suit the policy holder's needs as MCIT's policies are part of an insurance pool that covers very specific coverage packages as a one size fits all type of insurance. I was also told that a policy with MCIT would be significantly cheaper than a policy with a private or commercial insurer, if those insurers would even take on this type of risk.

Considering insurance coverage had not been required of the VRWJPO since its inception in 2002, and with the proposed increase in the insurance premium for 2027, I once again inquired with staff from both counties about the need for the VRWJPO to carry its own insurance coverage. I had recently inquired with Scott Watershed Management Organization (WMO) and Carver WMO staff, since Scott WMO and Carver WMO are the other two county-based watershed management organizations in the twin cities metropolitan area, and determined they were covered by their respective counties, though it is acknowledged that both Scott and Carver Counties differ from the VRWJPO in that the VRWJPO is a separate legal entity independent of each county. The feedback received from both county's Risk Management and County Attorney's Office staff was that the JPA currently requires it, the JPA contains significantly broader indemnification requirements, and under the JPA the VRWJPO is obligated to indemnify both counties for claims arising from the actions of the organization.

It is worth noting that vehicle insurance as well as workers compensation insurance for county staff is provided by Dakota County for Dakota County owned vehicles and staff. It was acknowledged by Dakota County Risk Management staff that it could be complex as to whose policy would be utilized or most applicable. The general recommendation received from Risk Management and County Attorney's Office staff was that there was justification for the VRWJPO to carry insurance separate from each respective county to manage risk. However, the decision on whether the VRWJPO carries its own insurance policy, whether the counties assume risk, and whether to amend the JPA are business decisions that Dakota County and Scott County would need to consider.

Dakota County Risk Management staff indicated that in today's liability environment, separate insurance coverage is a standard risk management practice for joint powers organizations. Without a dedicated policy, the VRWJPO would have no independent financial means to satisfy its indemnification obligations, effectively leaving the participating counties responsible for any liabilities arising from the organization's actions. They also advised that maintaining separate coverage is the most appropriate approach, and similar recommendations are anticipated from the other county's risk management representatives. Additional options for insurance coverage were explored, including inquiry to the Minnesota Joint Underwriting Association (MJUA). However, MJUA indicated it was not an available option because coverage can be obtained through MCIT.

At this point, I believe all options have been explored regarding whether the VRWJPO is required to, or should carry its own insurance coverage, and with any applicable underwriting organizations. I am seeking the VRWJPB's direction on how they'd like to proceed on renewal of the VRWJPO's insurance policy. The questions I'd like you to consider are:

1. Is the VRWJPB's direction to renew the VRWJPO insurance policy for 2027?
2. Does the VRWJPO want to consider proposing amendments to the JPA for review by both County Boards regarding the requirement that the VRWJPO maintain separate insurance coverage?