

Cannon River Watershed Joint Powers Board

Mission: Work collaboratively to improve and protect the natural resources within the Cannon River Watershed to ensure prosperity of our urban and agricultural communities.

AGENDA

Cannon River Watershed Joint Powers Board Meeting

April 6th, 2022 at 9 am

Rice County Government Services Building
320 3rd St NW, Faribault, MN 55021

I. Call to Order and Roll Call

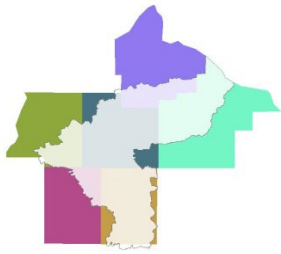
II. Consent Agenda

1. Approval of Agenda
2. Approval of Joint Powers Board Minutes of January 19th, 2022 Meeting
3. Minutes of February 2nd and March 2nd, 2022 Executive Committee Meetings
4. Financial Summary
5. MPCA SWAG

III. Regular Agenda

6. CRWJPB Workplan Amendment Policy
7. CRWJPB Change Order Policy
8. CRWJPB Fund Balance Policy
9. CRWJPB Record Retention Policy
10. Funding non CRWJPB members
11. SE MN TSA JPA agreement
12. 2023 Due Discussion
13. 2021 Audit Bid Proposals
14. Legal Services

- IV. Update on implementation activities**
- V. Staff Reports**
- VI. Other Correspondence**
- VII. Adjourn**



Cannon River Watershed Joint Powers Board

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**Draft CRWJPB Meeting
January 19th, 2021
Straight River Room
1814 2nd Avenue NW, Faribault, 55021**

CRWJPB Members: James Hedeon (Belle Creek WD), Mike Slavik (Dakota County), Kevin Chamberlain (Dakota SWCD), Steven Rohlring (Le Sueur County), Cletus Gregor (Le Sueur SWCD), Doug Christopherson (Waseca County), Rick Gnemi (Steele County), Keith Morgan (Waseca SWCD), Dan Hansen (Steele SWCD)

Also in Attendance: Ashley Gallagher (Dakota SWCD staff), Holly Kalbus (Le Sueur County staff), Karl Schmidtke (Le Sueur SWCD SWCD staff), Steve Pahs (Rice SWCD staff), Emmie Scheffler (Rice SWCD staff), Brad Becker (Dakota County staff), Sue Erpanbach (Rice SWCD staff), Jennifer Mocol-Johnson (BWSR), Teresa DeMars (Rice SWCD staff), Kent Ross (citizen), Doug Lennartson (citizen), Joe Juliar (citizen)

1. Call to Order and Roll Call

Chair Rohlring called the meeting to order at 9:07 am.

2. Election of officers

A proposal was made to keep the officers the same as 2021 for 2022. The officers would be as followed:

Chair- Steven Rohlring
Vice Chair- Brad Anderson
Secretary- Galen Malecha
Treasurer- Richard Cook

Motion by Hansen, second by Gnemi to approve the election of officers as listed above. Motion carried.

3. Approval of Agenda

Motion by Slavik, second by Gnemi to approve the agenda as presented in the packet. Motion carried.

4. Approval of Joint Powers Board Minutes of October 6th, 2021 Meeting

Motion by Hedeem, second by Gregor to approve the minutes of the October 6th, 2021 Cannon River Watershed Joint Powers Board meeting. Motion carried.

5. Minutes of November 3rd, 2021 Executive Committee Meeting

Motion by Morgan, second by Gnemi to approve the minutes of the November 3rd, 2021 Executive Committee meeting. Motion carried.

6. Financial Summary

Sue Erpenbach went through the financial summary that showed all of 2021. Sue will obtain bids for the annual audit since the CRWJPB is over the threshold for 2021. The Board would like to see at least two bids.

Motion by Hedeem, second by Gnemi to approve the financial summary as presented. Motion carried.

7. 2022 Meeting schedule and location

The presented meeting schedule for 2022 is the first Wednesday of January, April, July and October at 9 am. There will be the biannual field tour after July's meeting. The meetings will be held at Rice County buildings. An email will be sent out with this schedule to all the CRWJPB members. Board members expressed interest for hybrid meetings with COVID right now.

Motion by Hansen, second by Gnemi to approve the meeting 2022 meeting schedule and location. Motion carried.

8. Designation of a bank

The bank is currently Reliance bank in Faribault, Minnesota.

Motion by Gregor, second by Gnemi to keep the bank as Reliance Bank in Faribault, MN for 2022. Motion carried.

9. CRWJPO Operating Rules 2022

Board members would like to see a fund balance in about 10 years they think at this time, but would like a breakdown of the budget at all meetings to show where dues are going. The fund balance would be used if applying for additional grants. A change is needed to the dates from 2021 to 2022. The board also would like to include keeping Mike Slavik on the Executive committee with approval of the CRWJPO Operating Rules for 2022.

Motion by Slavik, second by Hedeem to approve the CRWJPO Operating Rules for 2022 with the changes listed above. Motion carried.

10. Review of 2021

Teresa DeMars presented the information in the packet on education and outreach for 2021. Emmie Scheffler presented that meeting with BWSR, all milestones for 2021 were met. Ashley Gallagher presented the online database which showed the projects that are completed. Sue Erpenbach will send out a summary of what was spent on projects in 2021.

11. MPCA workplan for SWAG

Emmie Scheffler is waiting on some staff rate changes before submitting the workplan to MPCA. There is a tight turnaround on the contract that will need signature before the next CRWJPB meeting. Once the contract is in, a copy will be sent to the board.

Motion by Gregor, second by Gnemi to give Emmie Scheffler signature authority to sign the contract with Minnesota Pollution Control Agency for SWAG monitoring for 2022 and 2023 when it is received. Motion carried.

12. WBIF Workplan amendment

There is slippage in the plan development category of the WBIF that staff recommends moving into technical assistance for pre-work on MDM. The board wanted to know if this money will be enough for everyone or going to one project in mind. The board also discussed policy for the next meeting on a threshold needed for the Executive Committee to approve WBIF changes. Staff will put together a policy with amounts for the board to review.

Motion by Slavik, second by Gnemi to approve move \$15,000 from plan development to technical assistance in the WBIF workplan. Motion carried.

13. Contracting with Clean River Partners 2022

Steve Pahs presented the contract and deliverables as presented in the packet. Citizen Kent Ross questioned the advantages of using Clean River Partners versus member staff. Staff and the board stated that CRP has better outreach across the watershed. Board members questioned if it is easy to get people to come to the meetings and staff stated that there was a good turnout last year.

Motion by Hedeem, second by Gregor to approve the contract with Clean River Partners as presented in the packet for 2022. Motion carried.

14. Lake Management plans

Ashley Gallagher presented the contract for lake management plans. Board member Morgan asked why this doesn't qualify for WBIF and BWSR stated it is because the activity itself does not lead to implementation. Board member Slavik likes that this activity can be further used for grants and that is the advantage of the JPB and dues. The idea of partnering with lake associations was brought up and staff will look into it. Waseca has brought a weed cleaner and to pilot use of it on Clear Lake.

Motion by Slavik, second by Chamberlain to approve the lake management contract with Stantec for Fox Lake as presented in the packet. Motion carried.

15. MCIT 2022 invoice

Motion by Hedeem, second by Gnemi to approve the MCIT bill for the amount of \$2,676.00 for 2022. Motion carried.

16. Update on implementation activities

Le Sueur County is having an ordinance meeting on Tuesday, January 25th on the SSTS inventory and inventories can start after that. They will have an interactive map to follow along where inventories are happening.

The Waterville flood study is in the early stages, but will take 1 to 2 years to complete. Overall, the city is receiving \$500,000 for this study and the CRWJPB will be updated when there is more information.

A. Lower Sakatah Report

Ashley Gallgher presented the change order she was in the packet. BWSR was worried since the change order is after the fact. The reason for the change order is because the estimate of shoreline area was too low in the original estimate and contract. The board would like to see a policy in place so this does not happen again. Staff will be completing the rest of the shoreline surveys.

Motion by Slavik, second by Gnemi to approve the change order as presented in the packet. Motion carried.

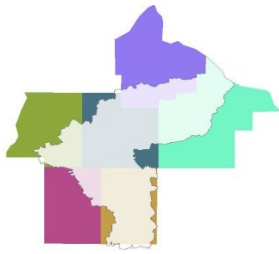
17. Adjourn

Next CRWJPB meeting will be on April 6th at 9:00am.

**Motion by Gnemi, second by Hansen to adjourn the meeting. Motion carried.
Meeting adjourned at 10:16 am.**

Respectfully Submitted,

Galen Malecha,
Secretary Cannon River Watershed Joint Powers Board



Cannon River Watershed Joint Powers Board

Mission: Work collaboratively to improve and protect the natural resources within the Cannon River Watershed to ensure prosperity of our urban and agricultural communities.

Draft Minutes CRWJPB Executive Committee February 2nd, 2022 at 9am Zoom Online Video Platform

CRWJPB Members: Brad Anderson (Goodhue County), Steven Rohlring (Le Sueur County), Richard Cook (Rice SWCD), Galen Malecha (Rice County), Mike Slavik (Dakota County)

Also in Attendance: Ashley Gallagher (Dakota SWCD staff), Steve Pahs (Rice SWCD staff), Emmie Scheffler (Rice SWCD staff), Chad Hildebrand (Goodhue SWCD staff), Beau Kennedy (Goodhue SWCD staff), Karl Schmidtke (LeSueur SWCD staff), Shaina Keseley (BWSR staff)

1. Call to Order

Chair Rohlring called the meeting to order at 9:00 am.

2. MPCA workplan update

The workplan numbers were presented in the packet. The committee was wondering if there would be enough time for staff to complete. There is staff that don't have equipment that would like to fill in if needed so should not be an issue.

3. Policy on workplan changes

The CRWJPB would like a policy for workplan changes. The recommendation from the Executive committee is to have the staff be able to approve above a 10% change of a workplan item up to \$50,000, along with approving new activities within that range. This would fall under the amount needed by BWSR for the board conservationist to approve. The committee would like this to be a stand-alone policy and would also like to see the fund balance and record retention.

4. Work change order procedure and policy

The board would like a work change order policy after the last meeting. The question posed was if it should be a blanket policy or based off each contract. The executive committee would like to see a policy with change orders under 10% for staff approval, 11% to 20 or 25% for executive committee approval, and anything over that for full board approval with stipulations on individual contracts if needed. Staff will have these wrote out for the March meeting.

5. New agenda format

Slavik and Rohlfing wanted to see a new agenda format after the last meeting. The executive committee liked the agenda presented in the packet and would like to see if each item is informational or an action item on the agenda. They would like to also see a presentation of something added to the end of each meeting.

6. Clean River Partners Contract discussion

Clean River Partners signed the contract that was approved at the last meeting but has concerns about some of the language and would like to amend the contract. The executive committee would like something put together with the changes to review at the March meeting.

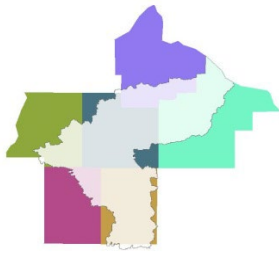
7. Update on Implementation Activities

Emmie Scheffler presented the table showing what has been spent and allocated so far. It was pointed out that some of the dues can be put towards local match. Le Sueur County has passed ordinances and can start the SSTS inventories now.

8. Adjourn

Next executive committee meeting will be March 9th, 2022 at 9 am over zoom.

Motion be Malecha, second by Slavik to adjourn at 9:57 am.



Cannon River Watershed Joint Powers Board

Mission: Work collaboratively to improve and protect the natural resources within the Cannon River Watershed to ensure prosperity of our urban and agricultural communities.

Draft Minutes CRWJPB Executive Committee March 9th, 2022 at 8am Teams Online Video Platform

CRWJPB Members: Brad Anderson (Goodhue County), Steven Rohlring (Le Sueur County), Richard Cook (Rice SWCD), Galen Malecha (Rice County)

Also in Attendance: Ashley Gallagher (Dakota SWCD staff), Steve Pahs (Rice SWCD staff), Emmie Scheffler (Rice SWCD staff), Chad Hildebrand (Goodhue SWCD staff), Beau Kennedy (Goodhue SWCD staff), Mark Schaetzke (Waseca SWCD staff), Eric Gulbransen (Steele SWCD staff), Jeremy Maul (BWSR staff)

1. Call to Order

Chair Rohlring called the meeting to order at 8:01 am.

2. MPCA workplan update

The final workplan and contract were presented in the packet. Staff has started ordering equipment and will have training sometime in April.

3. Policy on workplan changes

Changes since last meeting were presented in the packet. Board members would like to see the wording changed under staff approval. Those changes will be made and emailed to committee members to review before the CRWJPB meeting.

4. Work change order procedure and policy

The committee members would like to see the same language changes as those in the workplan change policy.

5. Fund Balance Policy

The rough draft fund balance policy was sent to committee members on Tuesday. The committee liked the idea of using a percentage for the unassigned fund balance. Counties in the area currently use a percentage of between 35-40%, however they have more overhead costs than the CRWJPB. Some staff recommended 10% of the WBIF funds, and others recommended lower than that. The committee asked staff to look at the current

operating budget, how grant cycles match audit timelines, and the projected cash flow peaks and valleys over the course of the year to recommend to the CRWJPB an amount to use. They would like to see no less than 10% of the operating budget on the lower end. The administrator and fiscal agent will work on this.

6. Record Retention

Emmie Scheffler posed the question to the committee on whether they would like to see a long broke out document or one that states what state statute requires as a more blanket document. The committee would like to see the state statute route put into the operating policies. They would also like it wrote that documents can be digitally stored.

7. Update on Implementation Activities

a. MDM Contract Le Sueur SWCD

The contract that was approved between ISG and Le Sueur SWCD was in the packet. This is along a public ditch, but on a private landowner's property. This project would help water quality. The CRWJPB will reimburse Le Sueur SWCD for expenses.

b. Contracting with TSA for technical assistance

Beau Kennedy, representing the Area 7 TSA, would like a sub agreement for engineering services between the SEJPB TSA and the CRWJPB. This would make the billing process more streamlined. Committee members saw no issue with this and it will be presented to the full CRWJPB in April.

8. April CRWJPB meeting agenda and format of meeting

There were no additions to the agenda items listed in the packet. Committee members would like a hybrid format with in person at the Rice County Government Building if possible. Emmie will email all CRWJPB members to see who will attend in person or online.

9. Adjorn

Next CRWJPB meeting will be April 6th, 2022 at 9 am.

Chair Rohlfing called the meeting to close at 8:42 am.

Financial report for 1st quarter 2022

The following reports were prepared on March 24th. The March bank statements are not available. Updated reports will be provided when the bank statements are available.

Note: All 2022 membership dues have been paid, except for one. Belle Creek Watershed has not paid their dues yet. I sent a second invoice to them in the mail.

BALANCE SHEET:

9:38 AM
03/24/22
Accrual Basis

Cannon River Watershed Joint Powers Board
Balance Sheet
As of March 31, 2022

	Mar 31, 22
ASSETS	
Current Assets	
Checking/Savings	
10000 - Checking/Savings	
10200 - Reliance Bank Checking	16,113.52
10300 - Reliance Bank Savings	409,922.30
Total 10000 - Checking/Savings	426,035.82
Total Checking/Savings	426,035.82
Accounts Receivable	
12000 - Accounts Receivable	500.00
Total Accounts Receivable	500.00
Total Current Assets	426,535.82
TOTAL ASSETS	426,535.82
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
26000 - Unearned Revenue State	
26010 - Unrnd WBIF Cannon 1W1P	320,680.11
Total 26000 - Unearned Revenue State	320,680.11
Total Other Current Liabilities	320,680.11
Total Current Liabilities	320,680.11
Total Liabilities	320,680.11
Equity	
Unrestricted Net Assets	59,531.71
Net Income	46,324.00
Total Equity	105,855.71
TOTAL LIABILITIES & EQUITY	426,535.82

PROFIT AND LOSS STATEMENT:

9:39 AM
03/24/22
Accrual Basis

**Cannon River Watershed Joint Powers Board
Profit & Loss
January through March 2022**

	<u>TOTAL</u>
Ordinary Income/Expense	
Income	
42000 - Inter Govern Rev Local	
42010 - Cannon 1W1P	
42011 - Tier -\$5,000 Mem Dues	30,000.00
42012 - Tier 2-\$3,500 Mem Dues	14,000.00
42013 - Tier 3-\$2,000 Mem Dues	4,000.00
42014 - Tier 4-\$500 Mem Dues	1,000.00
	<u>49,000.00</u>
Total 42010 - Cannon 1W1P	49,000.00
Total 42000 - Inter Govern Rev Local	<u>49,000.00</u>
Total Income	49,000.00
Expense	
52000 - Other Charges/Services	
52100 - Liability Insurance	2,676.00
	<u>2,676.00</u>
Total 52000 - Other Charges/Services	2,676.00
Total Expense	<u>2,676.00</u>
Net Ordinary Income	46,324.00
Net Income	<u>46,324.00</u>

TREASURER'S REPORT:

03/25/22
Accrual Basis

**Cannon River Watershed Joint Powers Board
Treasurer's Report
As of March 31, 2022**

	Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
10000 - Checking/Savings									380,211.82
10200 - Reliance Bank Checking									-1,750.08
	Transfer	01/14/2022			Funds Transfer	√	10300 - Reliance Bank Savings	2,676.00	925.92
	Transfer	01/14/2022			Funds Transfer	√	10300 - Reliance Bank Savings	13,886.85	14,812.77
	Bill Pmt - Check	01/19/2022	5036	M.C.I.T.	Invoice #19349R	√	20000 - Accounts Payable	-2,676.00	12,136.77
	Transfer	01/21/2022			Funds Transfer for EOR invoice #00102-0006-4	√	10300 - Reliance Bank Savings	3,876.75	16,113.52
Total 10200 - Reliance Bank Checking								17,863.60	16,113.52
10300 - Reliance Bank Savings									381,961.90
	Transfer	01/14/2022			Funds Transfer	√	10200 - Reliance Bank Checking	-2,676.00	379,285.90
	Transfer	01/14/2022			Funds Transfer	√	10200 - Reliance Bank Checking	-13,886.85	365,399.05
	Deposit	01/19/2022			Deposit	√	-SPLIT-	17,500.00	382,899.05
	Transfer	01/21/2022			Funds Transfer for EOR invoice #00102-0006-4	√	10200 - Reliance Bank Checking	-3,876.75	378,922.30
	Deposit	01/28/2022			Deposit	√	-SPLIT-	14,000.00	392,922.30
	Deposit	02/10/2022			Deposit	√	-SPLIT-	10,000.00	402,922.30
	Deposit	02/24/2022			Deposit	√	-SPLIT-	7,000.00	409,922.30
Total 10300 - Reliance Bank Savings								27,960.40	409,922.30
Total 10000 - Checking/Savings								46,824.00	426,035.82
TOTAL								<u>46,824.00</u>	<u>426,035.82</u>



520 Lafayette Road North
St. Paul, MN 55155-4194

State of Minnesota

Joint Powers Agreement

SWIFT Contract: 206944
Agency Interest ID #: 194167
Activity ID: PRO20210001

This Agreement is between the State of Minnesota, acting through its Commissioner of the **Minnesota Pollution Control Agency**, 520 Lafayette Road, St. Paul, MN 55155 (“MPCA” or “State”) and **Cannon River Watershed Joint Powers Board**, 1810 30th Street NW., Faribault, MN 55021 (“Local Governmental Unit” (“LGU”) or (“Contractor”)).

Recitals

Under Minnesota Statutes § 471.59, subd. 10, the State is empowered to engage such assistance as deemed necessary. The State is in need of **Cannon River Watershed Joint Powers Board (JPB) Monitoring for Cycle 2**.

Agreement

1. Term of Agreement

- 1.1 Effective Date: **March 1, 2022**, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.
- 1.2 Expiration Date: **January 31, 2024**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2. Agreement between the Parties

The LGU, who is not a state employee, will conduct the Project and follow the Budget for the said Project as specified in **Attachment A**, which is attached and incorporated into this Agreement. No terms or conditions of the LGU's proposal will be construed to modify, diminish, or derogate the terms and conditions of this Agreement.

All water monitoring programs and projects that involve environmental data acquisition from direct measurement activities or laboratory analysis must have an approved Quality Assurance Project Plan (QAPP) to ensure all data collected are of known and suitable quality and quantity. The LGU shall comply with the requisite elements of the plan.

The LGU shall, when applicable:

- Submit lab data, field data and photographs in a designated electronic format, as specified in the Attachment A.
- Monitor electronic data deliverable (EDD) email submittals of analyzed water quality samples by subcontracted laboratory. EDD submittals shall be formatted using the EQUIS LAB_MN program.

All parameters analyzed conducted under this Project must be done by a laboratory currently certified or accredited by the Minnesota Department of Health or the MPCA.

The LGU shall ensure that all personnel involved in the performance of this Agreement are properly qualified, trained, and competent; and shall be, where applicable, appropriately medically monitored during activities undertaken.

3. Payment

The total obligation of the State under this Agreement will not exceed **\$110,312.00 (One Hundred Ten Thousand Three Hundred Twelve Dollars and Zero Cents)**.

- (a) **Invoices.** The State will promptly pay the LGU after the LGU presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: monthly or at least quarterly

Invoices shall include:

- Name of LGU
- LGU Project Manager
- Agreement Amount
- Agreement Amount available to date
- Invoice Number
- Invoice Date
- MPCA Project Manager
- SWIFT Contract Number
- Invoicing Period (actual working period)
- Receipts for supplies, shipping, lab fees and any other Subcontractor invoices must be attached
- Per diem expenses submitted on travel expense forms and receipts may be requested to be submitted with invoice

Invoices will be submitted electronically to: mpca.ap@state.mn.us

If there is a problem with submitting an invoice electronically, please contact the Accounts Payable Unit at 651-757-2491.

The LGU shall submit an invoice for the final payment upon submittal of the final progress and financial report within 30 (thirty) days of the original or amended end date of this Agreement. State reserves the right to review submitted invoices after 30 (thirty) days and make a determination as to payment.

- (b) **Reporting requirements.** The LGU shall submit to the State for review and approval all deliverables in a format prescribed by the State. Progress Reports shall be due to the State by dates indicated within the work plan detail.

4. Authorized Representatives

The State's Authorized Representative is **Kelly O'Hara**, 520 Lafayette Road, St. Paul, MN 55155, 651-757-2226, Kelly.ohara@state.mn.us, or their successor.

The LGU's Authorized Representative is **Emmie Scheffler**, 1810 30th Street NW., Faribault, MN 55021, 507-332-5408, Emmie.scheffler@riceswcd.org, or their successor.

5. Assignment, Amendments, Waiver, and Contract Complete

- 5.1 Assignment. The LGU may neither assign nor transfer any rights or obligations under this Agreement without the prior consent of the State and a fully executed assignment agreement, executed and approved by the authorized parties or their successors.
- 5.2 Amendments. Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the authorized parties or their successors.
- 5.3 Waiver. If the State fails to enforce any provision of this Agreement, that failure does not waive the provision or its right to enforce it.
- 5.4 Contract Complete. This Agreement contains all negotiations and agreements between the State and the LGU. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

6. Indemnification

6.1 In the performance of this Agreement, the Indemnifying Party must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or
- Breach of contract or warranty.

The Indemnifying Party is defined to include the LGU, the LGU's reseller, any third party that has a business relationship with the LGU, or LGU's agents or employees, and to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Indemnifying Party may have for the State's failure to fulfill its obligation under this Agreement.

6.2 Nothing within this Agreement, whether express or implied, shall be deemed to create an obligation on the part of the State to indemnify, defend, hold harmless or release the Indemnifying Party. This shall extend to all agreements related to the subject matter of this Contract, and to all terms subsequently added, without regard to order of precedence.

7. State Audits

Under Minn. Stat. § 16C.05, subd. 5, the LGU's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State, the State Auditor, or Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination of this Agreement.

8. Government Data Practices

The LGU and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the LGU under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. Ch. 13, by either the LGU or the State.

If the LGU receives a request to release the data referred to in this clause, the LGU must immediately notify and consult with the State's Authorized Representative as to how the LGU should respond to the request. The LGU's response to the request shall comply with applicable law.

9. Venue

Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

10. Termination

10.1 Termination. The State or the LGU may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

10.2 Termination for Insufficient Funding. The State may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the LGU. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the LGU will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature,

or other funding source, not to appropriate funds. The State must provide the LGU notice of the lack of funding within a reasonable time of the State's receiving that notice.

11. E-Verify Certification (in accordance with Minn. Stat. § 16C.075).

For services valued in excess of \$50,000, the LGU certifies that as of the date of services performed on behalf of the State, LGU and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. The LGU is responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/EverifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

12. Vaccination/Testing Requirements

12.1 Applicability. This section applies to Contractor's employees or subcontractors who are performing contracted work in the following types of project settings: indoors with regular in-person contact with State agency employees or members of the public; and outdoors with substantial and/or regular in-person, non-socially distanced contact with State agency employees or members of the public ("Covered Individuals").

12.2 Requirements. In accordance with HR/LR Policy #1446, Covered Individuals must be fully vaccinated against COVID-19 as defined in the policy or submit to testing at least once a week.

12.3 Compliance. Contractor is responsible for the following:

12.3.1 Tracking and maintaining proof of vaccination status for vaccinated Covered Individuals;

12.3.2 Ensuring Covered Individuals who are not vaccinated are tested on a weekly basis;

12.3.3 Monitoring test results and ensuring that Covered Individuals with positive test results do not access the State workplace to perform contractual services until the Covered Individual has been medically cleared; and

12.3.4 Ensuring its Covered Individuals do not access the location where the contracted work is occurring if the Covered Individual is not in compliance with the requirements stated in item 12.2 Requirements, above.

12.4 Reporting. Upon request, Contractor shall provide the State with documentation demonstrating compliance with these requirements. Contractor shall maintain documentation for a minimum of thirty (30) days past the end date of the contract.

13. Clean Water Funding

13.1 Legacy Logo

Minn. Stat. § 114D.50 subd. 4 (f) states: "When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section [3.303, subdivision 10](#).

Clean Water Land and Legacy Amendment Logo Usage Guidelines:

http://www.legacy.leg.mn/sites/default/files/resources/Legacy_Logo_Guidelines.pdf

Download the Legacy Logo: <http://www.legacy.leg.mn/legacy-logo/legacy-logo-download>

13.2 Reporting FTEs

Minn. Stat. §3.303, Subd. 10 (2)(vi) requires that information provided on the Legislative Coordinating Commission's Legacy Fund website must include specific information on all projects receiving funding: "(vi) the number of full-time equivalents funded under the project. For the purposes of this item, "full-time equivalent" means a position directly attributed to the receipt of money from one or more of the funds covered under this section, calculated as the total number of hours planned for the position divided by 2,088."

14. Change Orders

If the State's Project Manager or the LGU's Authorized Representative identifies a change needed in the workplan and/or budget, either party may initiate a Change Order using the Change Order Form provided by the MPCA. Change Orders may not delay or jeopardize the success of the Project, alter the overall scope of the Project, increase or decrease the overall amount of the Agreement, or cause an extension of the term of this Agreement. Major changes require an Amendment rather than a Change Order.

The Change Order Form must be approved and signed by the State's Project Manager and the LGU's Authorized Representative **in advance of doing the work**. Documented changes will then become an integral and enforceable part of the Agreement. The MPCA has the sole discretion on the determination of whether a requested change is a Change Order or an Amendment. The state reserves the right to refuse any Change Order requests.

Contract Specialist	Cari Larose	 2C834AE64FDF438...	February 16, 2022
CRWJPB Administrator	Scheffler, Emmie	 421C75D405EA49C...	February 16, 2022
Assistant Division Director	Lewis, Melissa	 5F0F911B6E6D4E8...	February 16, 2022
AMS	Freedland, Sara E	 9879A511B468482...	February 25, 2022

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**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 6: CRWJPB Workplan Amendment Policy

Request for Action

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: Review and approval of a workplan change policy for the CRWJPB.

SUMMARY:

The CRWJPB requested a workplan change policy so staff can make changes to the workplan in a timely manner and not wait for quarterly meetings. The policy has been reviewed by the executive committee. Approval is needed for the CRWJPB workplan change policy as presented in the packet.

Supporting Documents:

Cannon River Watershed Joint Powers Board Workplan Amendment Policy

Cannon River Watershed Joint Powers Board
Workplan Amendment Policy

Purpose: To establish a workplan amendment policy for the Cannon River Watershed Joint Powers Board (CRWJPB). A workplan amendment is needed when changes are made for all grants the CRWJPB enters into agreement.

The CRWJPB Change Order Process Shall be As Follows:

Staff may have the authority to approve a workplan amendment up to 10% of the overall grant not to exceed \$50,000 on any workplan activity after CRWJPB executive committee review.

Workplan amendments over 10% of the overall grant or over \$50,000 will need approval from the full CRWJPB.

The CRWJPB can put separate policies on a grant if needed at time of grant approval.

Staff shall determine if the workplan amendment is needed. After making the determination of need, staff shall determine the amount of the workplan amendment or the amount needed for a new workplan activity.

If a workplan amendment needs CRWJPB approval, it shall be submitted to the full CRWJPB through the CRWJPB administrator as soon as practical. Workplan amendments must be approved prior to authorization of work on new activities or additional costs incurred for existing workplan activities.

Staff shall inform the Board of pending workplan amendments prior to the CRWJPB meeting. Staff shall identify an activity category for all workplan amendments and have prior approval or permission from the workplan grant **partner** before presenting the workplan amendment to the CRWJPB.

WHEREAS, a Workplan Amendment Policy has been reviewed by the Cannon River Watershed Joint Powers Board; and

WHEREAS, the Workplan Amendment Policy establishes a procedure to approve workplan amendments on all Cannon River Watershed Joint Powers Board grants.

NOW THEREFOR BE IT RESOLVED that the Cannon River Watershed Joint Powers Board approves the attached Workplan Amendment Policy date **XXXXXXXXXX**.

Passed by the Cannon River Watershed Joint Powers Board the **day** day of **month, year**.

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 7: CRWJPB Change Order Policy

Request for Action

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: Review and approval of a change order policy for the CRWJPB.

SUMMARY:

The CRWJPB requested a change order policy so staff, or the executive committee, can make change orders in a timely manner and not wait for quarterly meetings. The policy has been reviewed by the executive committee. Approval is needed for the CRWJPB change order policy as presented in the packet.

Supporting Documents:

Cannon River Watershed Joint Powers Board Change Order Policy

Cannon River Watershed Joint Powers Board
Change Order Policy

Purpose: To establish a change order policy for the Cannon River Watershed Joint Powers Board (CRWJPB). A change order is given to a contractor to expand on scope of work than what was set forth in the original contract. These contracts have a high degree of planning and multiple aspects that may not be accounted for in the original draft of the contract.

The CRWJPB Change Order Process Shall be As Follows:

Staff may have the authority to approve a change order under 10% of the contract total on any contract.

Executive Committee may have the authority to approve a change order between 10% and 20% of the contract total on any contract. Any change order over 20% of the total must be approved by the full CRWJPB.

The CRWJPB may put stipulations for change orders on individual contracts at the time of contract approval if needed.

The staff member who is responsible for the contract shall determine if the work is needed. After making the determination of need, staff shall determine the cost of the change order, the percent of the change order on the total project and follow through with the administration of the work as per this policy.

Change orders shall be submitted to the Executive Committee or full CRWJPB through the CRWJPB administrator as soon as practical. Change orders must be approved prior to authorization of the work or of additional expenditures being occurred outlined in the change order.

Staff shall inform the Board of pending change orders prior to the Executive Committee or CRWJPB meeting. Staff shall identify a revenue source for all change orders and have said revenue source included in the request for board action.

WHEREAS, a Change Order Policy has been reviewed by the Cannon River Watershed Joint Powers Board; and

WHEREAS, the Change Order Policy establishes a procedure to approve change orders on all Cannon River Watershed Joint Powers Board contracts.

NOW THEREFOR BE IT RESOLVED that the Cannon River Watershed Joint Powers Board approves the attached Change Order Policy date **XXXXXXXX**.

Passed by the Cannon River Watershed Joint Powers Board the **day** day of **month**, **year**.

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 10: CRWJPB Fund Balance Policy

Request for Action

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: Review and approval of a fund balance policy for the CRWJPB.

SUMMARY:

The CRWJPB requested a fund balance policy. The policy has been reviewed by the executive committee. Approval is needed for the CRWJPB fund balance policy as presented in the packet.

Supporting Documents:

Cannon River Watershed Joint Powers Board Fund Balance Policy

Cannon River Watershed Joint Powers Board

Fund Balance Policy

Fund balance measures the net financial resources available to finance expenditures of future periods.

The Cannon River Watershed Joint Powers Board (CRWJPB) at this time will have an unassigned fund balance and a plan revision fund balance.

The CRWJPB shall strive to maintain a yearly unassigned fund balance in the general fund of 50-75 percent of the prior year's general fund total operating expenditures. In the event that amounts unassigned fall above or below the desired range, the CRWJPB Fiscal agent shall report such amounts to the CRWJPB as soon as practical after the end of the fiscal year. Should the actual amount unassigned fall below the desired range, the CRWJPB Fiscal agent shall create a plan to restore fund balance to an appropriate level and provide this to the CRWJPB for action.

The plan revision fund balance will strive to have 15 percent of the total cost of the plan drafting. The plan revision fund balance shall be restored to a level established by the CRWJPB in a timeline determined at that time once funds have been used for plan revisions.

The unassigned fund balance may be committed for a specific source by formal action of the CRWJPB. This committed fund balance can be for purposes outside of yearly operating expenditures.

When it is appropriate for fund balance to be assigned, the CRWJPB can delegate this authority to the CRWJPB Fiscal agent or administer.

At fiscal year end, the CRWJPB Fiscal agent will report non-spendable fund balance to the CRWJPB at the annual January board meeting.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 9: CRWJPB Record Retention Policy

Request for Action

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: Review and approval of a record retention policy for the CRWJPB.

SUMMARY:

The CRWJPB requested a record retention policy. The policy has been reviewed by the executive committee. The policy would be stand alone at the time, and then added to the CRWJPO Operating Rules in January 2023. Approval is needed for the CRWJPB record retention policy as presented in the packet.

Supporting Documents:

Cannon River Watershed Joint Powers Board Record Retention Policy

Records created by Cannon River Watershed Joint Powers Board (“CRWJPB”) members for work related to CRWJPB or paid by CRWJPB funds will be retained in a manner that meets each member entity’s records retention schedule that has been reviewed and approved by the State in accordance with Minnesota Statute §138.17 and Minnesota Statute §15.17.

Records prepared or maintained by the CRWJPB or on behalf of the CRWJPB shall be subject to Minnesota Statute §138.17 and Minnesota Statute §15.17, and held by the fiscal agent location. At the time the CRWJPB is dissolved, all records must be turned over to the fiscal agent for continued retention in accordance with its records retention policies. All records will be stored electronically, unless otherwise stated under Minnesota Statutes §138.17 and §15.17.

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 10: Funding non-CRWJPB members

Information Item

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: Discussion is needed on funding those in the Cannon River Watershed but not participating on the CRWJPB.

SUMMARY:

When the Cannon River One Watershed One Plan was being drafted, there was two counties that choose not to participate. There has been a request for funds from one of these entities. Discussion is needed on if CRWJPB members would like WBIF money to be spent on those areas. BWSR does not have restrictions on the usage of funds for those that did not participate in the planning process.

Supporting Documents:

None

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 11: SE MN TSA JPB Agreement

Request for Action

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: The Southeast Minnesota Technical Service Joint Powers Board would like to enter into agreement with the CRWJPB for technical assistance.

SUMMARY:

The Southeast Minnesota TSA currently would need to bill through the member that they are assisting for technical assistance. The attached agreement would allow the SE MN TSA JPB to directly bill the CRWJPB, making it easier for members with reporting and paying out technical services.

Action is needed to approve the attached agreement between the SE MN TSA JPB and the CRWJPB on grant funding dispersal.

Supporting Documents:

GRANT FUNDING DISBURSAL AGREEMENT BETWEEN CANNON RIVER WATERSHED JOINT POWERS BOARD AND SOUTHEAST MINNESOTA TECHNICAL SUPPORT JOINT POWERS BOARD

**GRANT FUNDING DISBURSAL AGREEMENT BETWEEN CANNON RIVER
WATERSHED JOINT POWERS BOARD AND SOUTHEAST MINNESOTA
TECHNICAL SUPPORT JOINT POWERS BOARD**

This grant funding disbursement agreement (“Agreement”) is entered into between Cannon River Watershed Joint Powers Board (“CRWJPB”) and the Southeast Minnesota Technical Support Joint Powers Board (TSA7) (“Member”).

WHEREAS, Two or more governmental units, by agreement entered into through action of their governing bodies, may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised pursuant to Minn. Stat. § 471.59; and

WHEREAS, the JPA authorizes the CRWJPB Board to take such action as it deems necessary and appropriate to accomplish the general purposes of CRWJPB, and further authorizes the CRWJPB Board to accomplish such action by entering into contracts or other agreements; and

WHEREAS, the JPA further authorizes the CRWJPB Board to apply for and use grants or loans of money or other property from the state, or any other governmental units or organizations, to enter into agreements required in connection therewith, and to hold, use, and dispose of such monies or property in accordance with the terms of the grant, loan, or agreement relating thereto; and

WHEREAS, the CRWJPB has applied for and received grant funding through the State of Minnesota Board of Water and Soil Resources (BWSR) Watershed-based Implementation Funding Program to fund and administer the BWSR approved work plan(s) submitted by CRWJPB (“Work Plan(s)”), which is/are incorporated into this Agreement by reference; and

WHEREAS, Cannon River Watershed Watershed-Based Implementation Grant Agreement(s) (“Grant Agreement(s)”) has/have been executed between CRWJPB and the State of Minnesota, which is/are incorporated into this Agreement by reference; and

WHEREAS, Member may be entitled to disbursement of certain grant-based funds, subject to the terms of this Agreement, the Grant Agreement(s), and the Work Plan(s); and

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, CRWJPB and Member agree as follows:

1. **Procedures for Requesting Disbursement of BWSR Grant Funding.** Member may request disbursement of BWSR grant funds by submitting a written request to CRWJPB accompanied by sufficient documentation supporting the same.

- a. Approved disbursements will be restricted to the administration, support, and implementation of projects and programs within the scope of the Grant Agreement(s).
 - c. All costs for which disbursement is sought shall have been incurred by Member during the applicable grant period.
 - d. By submitting a written request for disbursement, Member represents that all funds sought were for purposes authorized by the Grant Agreement(s) and that all work or services performed were in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations.
 - e. All work or services performed by Member for which disbursement is sought shall be performed to the satisfaction of CRWJPB, as determined in the sole discretion of the CRWJPB Board and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. Member shall not receive payment for work or services found by CRWJPB to be unsatisfactory, outside the scope of the Grant Agreement(s), or performed in violation of federal, state, or local law, ordinance, rule, or regulation.
 - f. Funding available for disbursement under this Agreement is dependent upon the availability of applicable BWSR grant funding.
2. **Member Liable for Fines or Claims.** Member agrees that it is liable for any fines or claims asserted against CRWJPB as a result of a request for disbursement or disbursement of grant funds pursuant to this Agreement, and further agrees to reimburse CRWJPB for any expenditure or disbursement under the Agreement that is disallowed for any reason.
 3. **Term of Agreement.** This Agreement becomes effective when executed by Member and CRWJPB and will remain in effect until terminated by the parties.
 4. **Recordkeeping Requirements.** Member shall maintain all records pertaining to this Agreement and any request for disbursement pursuant to this agreement for seven years for audit purposes.
 5. **Entire Agreement.** It is understood and agreed that the entire agreement of the parties is contained herein, and that this agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof, as well as any previous agreements presently in effect between CRWJPB and Member relating to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned Member has caused this Agreement to be signed and delivered on its behalf:

Southeast Minnesota Technical Support Joint Powers Board

By _____

Title: _____ Dated _____

By _____

Title: _____ Dated _____

Accepted and approved by:

CRWJPB Authorized Representative

Dated

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 12: 2023 Dues Discussion

Information Item

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: Discussion of the dues for 2023.

SUMMARY: The CRWJPB dues for 2022 were the following:

Tier 1 Memberships: \$5,000

Tier 2 Memberships: \$3,500

Tier 3 Memberships: \$2,000

Tier 4 Memberships: \$500

Membership dues for 2023 will not be voted on until the July 2022 meeting. The discussion today is for members to determine what rate they will want for 2023 to bring back to their local boards for discussion before a final decision is made.

Supporting Documents:

None.

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 13: 2021 Audit Bid Proposals

Request for Action

Meeting Date: 4/6/2022

Prepared by: Sue Erpenbach

PURPOSE/ACTION REQUESTED: Review 2021 audit bid proposals and approve which audit company will perform the 2021 audit.

Also approve/authorize who will sign the Audit Engagement Letter when it is available.

SUMMARY:

Due to the receipt of the grant money of \$514,239.00 in 2021, the CRWJPB is now in need of an annual audit.

Audit bid letters were sent out and 3 responses were received. Please refer to attached packet.

Approval is needed on which audit company will perform the 2021 Audit, along with authorization for the fiscal agent Steve Pahs to sign the Audit engagement letter.

Supporting Documents:

Audit Packet

AUDIT BID INFORMATION FOR 2021 AUDIT:

Audit bid letters for the 2021 end of year audit were sent out on January 25th.

Bids were requested by March 15th.

7 letters were mailed to a random selection – see grid below.

3 responses were received: two actual bids and one decline to bid.

Audit Bid letter for 2021 CRWJPB audit	proposal amt	mail merge list	
Name		street address	city state zip
Abdo, LLP	declined to bid	5201 Eden Ave Ste 250	Edina MN 55436-2365
Burkhardt & Burkhardt, Ltd.		430 S Broad St Ste 100	Mankato MN 56001
CliftonLarsonAllen LLP	rtnd in mail, wrng address	101 N 2nd St Ste 200	Mankato MN 56001
Eide Bailly LLP		1911 Excel Dr	Mankato MN 56001-6281
Lewis, Kisch & Associates, Ltd.	\$8,500.00	1125 S Frontage Rd Ste1	Hastings MN 55033
Smith Schafer & Associates, Ltd.		220 S Broadway Ste 102	Rochester MN 55904-6517
Peterson Company Ltd	\$2,200.00	570 Cherry Drive	Waconia MN 55387

Following are the actual bid letters or responses for the three listed above:

Note/question: if the Peterson Company Ltd bid is the one chosen, someone will need to sign the engagement letter when it is received. Who would be authorized to sign; anyone from the board or executive committee?

From: Andy Berg <andrew.berg@abdosolutions.com>
Sent: Sunday, February 06, 2022 9:51 AM
To: Steven Pahs <Steven.Pahs@riceswcd.org>
Subject: cannon river watershed JPB

Hi Steve,

Thanks for sending the Cannon River Watershed JPB request for audit proposals. At this time we will not be submitting a proposal.

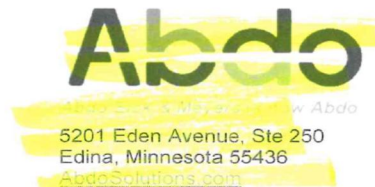
We would like to receive future opportunities, including any with member organizations.

Thank You,

Please note my new email address: andrew.berg@abdosolutions.com

Andy Berg
Partner

DIRECT 952.715.3003
MAIN 952.835.9090
[Send Me Secure Files](#)



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February 2, 2022

Steven Pahs
Cannon River Watershed Joint Powers Board
1810 30th St NW
Faribault, MN 55021

Dear Steven:

We appreciate the opportunity to provide your Organization with an audit bid for the fiscal year ending December 31, 2021. The audit will be performed in accordance with all applicable audit standards.

We anticipate that a half day of fieldwork will be required at your office unless the audit is done remotely due to COVID. During this time and during completion of the audit, we will be happy to answer your questions and assist with policies and procedures at no additional cost. The year-end audit fee will be \$2,200.

If you accept our audit bid, please let us know and we will prepare an engagement letter. Thank you for contacting us and we look forward to hearing from you.

Sincerely,

Michael Peterson

Michael Peterson, CPA
Peterson Company Ltd

**Lewis, Kisch &
Associates, Ltd.**
CERTIFIED PUBLIC ACCOUNTANTS

Thomas A. Madsen, CPA
Diana L. Weddigen, CPA
Samantha R. Mulvihill, CPA

1125 South Frontage Road, Suite 1
Hastings, MN 55033
T (651) 437-3356
F (651) 437-3808
www.lewiskisch.com

February 2, 2022

Steven Pahs, Rice SWCD District Manager, and Board Members
Cannon River Watershed Joint Powers Board
c/o Rice Soil and Water Conservation District
1810 30th St NW
Faribault, MN 55021

We are pleased to confirm our understanding of the services we are to provide Cannon River Watershed Joint Powers Board (the "Board") for the year ended December 31, 2021.

Audit Scope and Objectives

We will audit the regulatory basis financial statements of the major funds of the Board as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements. These financial statements will include the following:

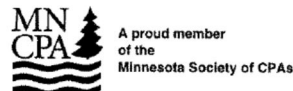
- 1) Statement of Balances Arising from Cash Transactions – Regulatory Basis
- 2) Statement of Cash Receipts, Disbursements, and Changes in Cash Fund Balances – Regulatory Basis

The financial reporting provisions of the State of Minnesota provide for certain required supplementary information ("RSI") to supplement the Board's basic financial statements. Such information, although not a part of the basic financial statements, is required by the State of Minnesota, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Board's RSI in accordance with auditing standards generally accepted in the United States of America ("GAAS"). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI, as applicable, is required by the financial reporting provisions of the State of Minnesota and will be subjected to certain limited procedures, but will not be audited:

- 1) Budgetary Comparison Schedules – Regulatory Basis
- 2) Schedule of Indebtedness, Other Long-Term Liabilities, and Contingent Liabilities
- 3) Schedule of Accounts Receivable and Accounts Payable

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with the financial reporting provisions of the State of Minnesota. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

We will also report on the Board's compliance with the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the Minnesota Office of the State Auditor pursuant to Minn. Stat. § 6.65, which contains seven categories of compliance to be tested, as applicable: depositories of public funds and public



investments; conflicts of interest; public indebtedness; contracting – bid laws; claims and disbursements; miscellaneous provisions; and tax increment financing.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Board or to acts by management or employees acting on behalf of the Board.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

Audit Procedures—Internal Control

We will obtain an understanding of the Board and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Board's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with the financial reporting provisions of the State of Minnesota. You are responsible for including all informative disclosures that are appropriate for the cash basis of accounting. Those disclosures will include (1) a description of the cash basis of accounting, including a summary of significant

accounting policies, and how the regulatory basis of accounting differs from accounting principles generally accepted in the United States of America ("GAAP"); (2) informative disclosures similar to those required by GAAP; and (3) additional disclosures beyond those specifically required that may be necessary for the financial statements to achieve fair presentation.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Board from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Board involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Board received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Board complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with the financial reporting provisions of the State of Minnesota. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the financial reporting provisions of the State of Minnesota; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the financial reporting provisions of the State of Minnesota; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Lewis, Kisch & Associates, Ltd., and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Minnesota Office of the State Auditor ("OSA") or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Lewis, Kisch & Associates, Ltd. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the OSA or its designee. The OSA or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Diana L. Weddigen is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fee for these services will not exceed \$8,500. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during

the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

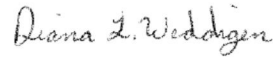
Reporting

We will issue a written report upon completion of our audit of the Board's financial statements. Our report will be addressed to the Cannon River Watershed Joint Powers Board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

As requested by you, draft independent auditor's reports on the financial statements and Minnesota legal compliance will be submitted to the OSA for review. Subsequent to their review and approval, we will issue the final independent auditor's reports on the financial statements and Minnesota legal compliance, and submit such reports to the OSA and the Board of Water and Soil Resources.

We appreciate the opportunity to be of service to the Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Sincerely,


Diana L. Weddigen

RESPONSE: This letter correctly sets forth the understanding of Cannon River Watershed Joint Powers Board.

Management Signature _____

Title _____ Date _____

Governance Signature _____

Title _____ Date _____

**CANNON RIVER WATERSHED
JOINT POWERS BOARD**

Agenda Item 14: Legal Services

Request for Action

Meeting Date: 4/6/2022

Prepared by: Emmie Scheffler

PURPOSE/ACTION REQUESTED: To enter into contract with Rice County legal services.

SUMMARY:

Rice County provided legal services for 2021. They would be willing to provide services again in 2022. Approval is needed of a contract with them for 2022 legal services.

Supporting Documents:

Legal Contract

Priority Implementation Items in 2021 and 2022 for Cannon WBIF							
	ID	Implementation Activity	Priority Area(s)	2021 Spent	Total for Grant Allocated	% Spent	% Allocated
				\$	\$		
Plan Development	3.3.1-A-3	Host biannual (every other) field day or tour for locally elected and appointed decision-makers, or their appointed citizen advisory committee. Rotate the location of this annual field day throughout the Cannon River Watershed Planning Area.	Planning Area Wide	\$0	\$3,500	0.00%	100%
	3.2.1-B-1	Track and mointor cover crops/residue with satellite imagery data.	Drainage area of Tier One lakes and streams (Figure 3.9 through Figure 3.12) HSPF top 25% TP and TN watersheds.	\$500	\$2,000	25.00%	100%
	3.2.3-A-2	Complete conditioned terrain analysis for the Straight and Vermillion River Bottom portion of the planning area.	Straight and Vermillion River Bottom	\$34,889.01	\$45,000	77.53%	100%
				\$35,399.01	\$50,500.00	70.10%	
Cost-Share Projects	3.2.1-B-2	Implement practices that increase organic matter (such as cover crops and tillage management) on 15% of corn/soybean acres (16,711 acres total or 1,671 acres per year) in the Tier One Lake and Stream drainage areas.	Drainage area of Tier One lakes and streams (Figure 3 9 through Figure 3 12) HSPF Top 25% TP and TN subwatersheds	\$10,108	\$42,424	23.83%	100%
	3.2.1-B-3	Implement practices that increase organic matter (such as cover crops and tillage management) on 80% of short season crop (corn silage, small grains, peas, and sweet corn) acres (757 acres total, 75.7 acres per year) in the Tier One Lake and Stream drainage areas.	Drainage area of Tier One lakes and streams (Figure 3 9 through Figure 3 12) HSPF Top 25% TP and TN subwatersheds	\$0	\$0	N/A	N/A
	3.1.1-C-7	Implement structural practices to treat 5%, or 7,192 acres, of cropland in the Tier 1 impaired streams drainage areas.	Drainage area of seven impaired streams: Lower Vermillion River, Belle Creek, Little Cannon River, Trout Brook, Prairie Creek, Rush Creek, and Medford Creek (Figure 3 4 through Figure 3 6).	\$44,339	\$477,817.32	9.28%	27%
				\$54,446.56	\$520,241.32	10.47%	
Inventories	3.2.2-B-1	Conduct inventory of existing natural shoreline quantity and quality on 10 natural environment lakes (Roemhildts, Fish, Dora, Mabel, Diamond, Sabre, and Tustin in Le Sueur County; Sprague and Lower Sakatah in Rice County; and Toners in Waseca County) within first two years.	Roemhildts, Fish, Dora, Mabel, Diamond, Sabre, and Tustin in Le Sueur County; Sprague and Lower Sakatah in Rice County; and Toners in Waseca County	\$12,358.04	\$69,350	17.82%	17.82%
	3.2.2-D-1	Conduct SSTS inventory on 4 lake systems located in the Groundwater Pollution Sensitivity Area and Groundwater Dominated Lakes Area, starting with Volney-Gorman	Groundwater Pollution Sensitivity Area and the Groundwater Dominated Lakes Area (Figure 2 4)	\$4,931.84	\$160,000	3.08%	100%
				\$17,289.88	\$229,350.00	7.54%	
Education Outreach	3.3.1-B-1	Develop an education and outreach plan for the Cannon River Planning Area that identifies partnerships, recognizes existing efforts, past successes, is implemented in conjunction with other entities, and takes a regional approach.	Planning Area Wide	\$10,396.25	\$20,000	51.98%	100%
	3.3.1-B-2	Inform absentee landowners that the health of their land and local natural resources is part of an absentee owner's long-term investment. Create and communicate explicit guidance in flyer with property tax assessment.	Drainage areas of the Tier One lakes and streams	\$2,174	\$2,500	86.96%	100%
	3.2.1-B-4	Develop a Soil Health Team	Cannon River Planning Area	\$13,422	\$22,333	60.10%	100%
				\$15,592.95	\$24,833.34	62.79%	

\$ 42,424.00 currently allocated

\$ - currently allocated

\$ 128,974.35 currently allocated

*dues money

BWSR Elink Budget Items for Work Plan				
		Spent	Allocated	Percent Spent
Inventories	Special Projects	\$ 17,289.88	\$ 229,350.00	7.54%
Cost-Share Projects	Ag Practices	\$ 54,446.56	\$ 520,241.32	10.47%
Education Outreach	Education/Outreach	\$ 15,592.95	\$ 24,833.34	62.79%
Plan Development	Plan Dev./Assessment	\$ 35,399.01	\$ 50,500.00	70.10%
C/S Technical Assistance	Tech/Engineering Ass.	\$ 30,246.56	\$ 118,333.34	25.56%
Grant Administration	Adm/coordination	\$ 41,132.05	\$ 85,400.00	48.16%
Local Match	cash/landowner/in-kind	\$7,857.80	\$52,024.13	15.10%
Federal Match	cash/landowner/in-kind	\$0.00	\$55,000.00	0.00%

Total Amount Awarded:	\$1,028,658.00
Total % Spent:	18.87%
Required Match Amount:	\$102,865.80
Total % Matched:	7.64%