



**Title:** Authorization to Execute Grant Agreement for Watershed-Based Implementation Funding

**Resolution number:** 23-031

**Prepared by:** Name: Becky Christopher  
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**Recommended action:** Authorization to execute a grant agreement with the Board of Water and Soil Resources for Watershed-Based Implementation Funding for two partner-led projects: Morningside Ravine Stabilization (Medina) and Holbrook Park Regional Stormwater Management (Long Lake)

**Schedule:** July-August 2023 – Execution of funding agreements with Medina and Long Lake  
 Winter 2023-2024 – Construction of Morningside Ravine Project  
 2024 – Feasibility Study for Holbrook Park Project  
 December 31, 2025 – Grant expiration

**Budget considerations:** Grant funds will pass through MCWD and be cost neutral (grant match paid by Medina)  
 Funds to be awarded: \$418,140 (\$243,200 for Morningside, \$174,940 for Holbrook)

**Past Board action:** Res #: 23-012 Title: Authorization to Apply for Watershed-Based Implementation Funding

**Summary:**

Background:

The third round of Watershed-Based Implementation Funding (WBIF) has been approved through the Board of Water and Soil Resources (BWSR). For this round, funds were allocated on a watershed basis, with the Minnehaha Creek watershed area receiving \$418,140 to fund eligible projects for implementation in 2023-2025. Eligible entities in our allocation area include Minnehaha Creek Watershed District (MCWD), Hennepin and Carver counties, Carver Soil and Water Conservation District (SWCD), and municipalities.

The program requires a convene meeting process through which participants meet to develop a budget request for submittal to BWSR that is prioritized, targeted, and measurable. Participants include one representative from each watershed district, SWCD, county with a current groundwater plan, and up to two representatives from municipalities within the allocation area. MCWD served as the convener for this process and solicited project proposals from all the eligible entities. Two projects were submitted for consideration:

Entity	Project Name	Description	Water Quality Benefit	Cost
Long Lake/ MCWD	Holbrook Park Regional Stormwater Treatment	Regional stormwater management of 147 acres of drainage in a city park via subsurface infiltration to reduce nutrient loading to impaired Long Lake. Identified as a priority project in the MCWD's Long Lake Creek Roadmap.	46.9 lbs TP/yr	\$1,292,867
Medina	Morningside Ravine Stabilization	Stabilization of 400' of eroding ravine and construction of a 0.4 acre pond to reduce erosion and sediment/nutrient loading to Lake Katrina, which flows into Painters Creek.	30.3 lbs TP/yr	\$343,200

At the convene meeting on January 3, 2023, the group agreed that both projects were worth supporting and recommended splitting the \$418,140 between the two projects. Based on estimated costs, project schedules, and the cities' capacity to provide matching funds, \$243,200 was awarded to the Morningside project for design/construction and \$174,940 was awarded to the Holbrook Park project for feasibility and preliminary design.

At the February 9, 2023 Board Meeting, the Board authorized staff to apply for the grant funds, with MCWD serving as the grantee to allow for easier transfer of funds between the two projects, if needed, based on additional feasibility work and cost refinement for the two projects.

Requested Action and Next Steps:

BWSR has approved the work plan for the grant and now requires execution of the grant agreement before expenditures can begin. In June-July, MCWD staff will work with the two cities to develop agreements outlining the roles and expectations for advancing the projects and managing the grant. These agreements will be brought back for Board authorization in July-August.

Attachment:

FY 2023 BWSR Watershed-Based Implementation Funding Grant Agreement



**RESOLUTION**

**Resolution number:** 23-031

**Title:** Authorization to Apply for Watershed-based Implementation Funding

WHEREAS, the Minnesota Board of Water and Soil Resources (BWSR) has transitioned its Clean Water Funding model from project by project competitive grants to a coordinated watershed funding approach which relies on comprehensive watershed management plans to provide assurance that actions are prioritized, targeted, and measurable; and

WHEREAS, on October 27, 2021, BWSR approved the Watershed-Based Implementation Funding (WBIF) watershed allocations and program policy for the 2022-2023 biennium, and the Minnehaha Creek Watershed planning area has been allocated \$418,140; and

WHEREAS, the WBIF program requires that all eligible entities within the planning area, including the watershed district, counties, soil and water conservation districts, and cities, work together to develop a collaborative budget request that is prioritized, targeted, and measurable; and

WHEREAS, MCWD served as the convener for this process and solicited project proposals from all the eligible entities, and two projects were submitted for consideration:

- Holbrook Park Regional Stormwater Treatment (Long Lake/MCWD) – regional stormwater management in a city-owned park, identified as a priority in MCWD’s Long Lake Creek Roadmap;
- Morningside Ravine Stabilization (Medina) – ravine stabilization and pond construction to reduce erosion and sediment/nutrient loading to Lake Katrina and Painters Creek; and

WHEREAS, the convene meeting was held on January 3, 2023, and the group recommended splitting the funds between the two projects with \$243,200 for the Morningside project and \$174,940 for the Holbrook project, and that MCWD serve as the grantee to allow for easier transfer of funds between the two projects, if needed; and

WHEREAS, at its February 9, 2023 meeting, the MCWD Board authorized staff to apply for the grant funds; and

WHEREAS, BWSR has approved the work plan for the grant and now requires execution of the grant agreement before expenditures can begin; and

WHEREAS, staff will work with the cities of Long Lake and Medina to develop partnership agreements that outline the roles and expectations for advancing the projects and managing the grant, and these will be subject to MCWD Board approval;

NOW, THEREFORE, BE IT RESOLVED that the MCWD Board of Managers authorizes the District Administrator to execute a grant agreement with the Board of Water and Soil Resources for the above projects.

Resolution Number 23-031 was moved by Manager \_\_\_\_\_, seconded by Manager \_\_\_\_\_. Motion to adopt the resolution \_\_\_ ayes, \_\_\_ nays, \_\_\_ abstentions. Date: 6/8/2023

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



**FY 2023 STATE OF MINNESOTA  
BOARD OF WATER and SOIL RESOURCES  
WATERSHED-BASED IMPLEMENTATION FUNDING  
GRANT AGREEMENT**

<b>Vendor:</b>	0000225729
<b>PO#:</b>	3000015917

This Grant Agreement is between the State of Minnesota, acting through its Board of Water and Soil Resources (Board) and **Minnehaha Creek WD, 15320 Minnetonka Blvd, Minnetonka, MN 55345** (Grantee).

<b>Grant ID</b>	<b>Grant Title</b>	<b>Awarded Amt</b>
<b>C23-9999</b>	<b>Minnehaha Creek WD 2023 WBIF</b>	<b>\$418,140.00</b>

**Total Grant Awarded:** \$418,140.00

**Recitals**

1. The Laws of Minnesota 2019, 1<sup>st</sup> Special Session, Chapter 2, Article 2, Section 7(a), and the Laws of Minnesota, 2021, 1<sup>st</sup> Special Session, Chapter 1, Article 2, Sec. 6(a) appropriated Clean Water Funds (CWF) to the Board for the FY 2022-2023 Watershed-based Implementation Funding Program.
2. The Board adopted the FY 2022-2023 Clean Water Fund Watershed-based Implementation Funding Program Policy and authorized the allocation of funds for the FY 2022-2023 Watershed-based Implementation Funding Program through Board Order #21-51.
3. The Grantee has submitted a Board-approved work plan for this Program which is incorporated into this Grant Agreement by reference.
4. The Grantee represents that it is duly qualified and agrees to perform all services described in this Grant Agreement to the satisfaction of the Board.
5. As a condition of the grant, Grantee agrees to minimize administration costs.

**Authorized Representative**

The State's Authorized Representative is James Adkinson, Grants Coordinator, BWSR, 520 Lafayette Road North, Saint Paul, MN 55155, 651-539-2588, or his successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services and performance provided under this Grant Agreement.

The Grantee's Authorized Representative is:

**TITLE**  
**ADDRESS**  
**CITY**  
**TELEPHONE NUMBER**

If the Grantee's Authorized Representative changes at any time during this Grant Agreement, the Grantees must immediately notify the Board.

**Grant Agreement**

1. **Terms of the Grant Agreement.**
  - 1.1. **Effective date:** The date the Board obtains all required signatures under Minn. Stat. § 16B.98, Subd. 5. **The Board will notify the Grantee when this Grant Agreement has been executed. The Grantee must not begin work under this Grant Agreement until it is executed.**
  - 1.2. **Expiration date:** **December 31, 2025** or until all obligations have been satisfactorily fulfilled, whichever comes first.

- 1.3. **Survival of Terms:** The following clauses survive the expiration date or cancellation of this Grant Agreement: 7. Liability; 8. State Audits; 9. Government Data Practices; 12. Governing Law, Jurisdiction, and Venue; 14. Data Disclosure; and 17. Intellectual Property Rights.

2. **Grantee's Duties.**

The Grantee will comply with required grants management policies and procedures set forth through Minn. Stat. § 16B.97, Subd. 4(a)(1). The Grantee is responsible for the specific duties for the Program as follows:

- 2.1. **Implementation:** The Grantee will implement their work plan, which is incorporated into this Grant Agreement by reference.
- 2.2. **Reporting:** All data and information provided in a Grantee's report shall be considered public.
  - 2.2.1. The Grantee will submit an annual progress report to the Board by February 1 of each year on the status of Program implementation by the Grantee. Information provided must conform to the requirements and formats set by the Board.
  - 2.2.2. Final Progress Report: The Grantee will submit a final progress report to the Board by February 1, 2026, or within 30 days of completion of the project, whichever occurs sooner. Information provided must conform to the requirements and formats set by the Board.
- 2.3. **Match:** The Grantee will ensure any local match requirement will be provided as stated in Grantee's approved work plan.

3. **Time.**

The Grantee must comply with all the time requirements described in this Grant Agreement. In the performance of this Grant Agreement, time is of the essence.

4. **Terms of Payment.**

- 4.1. Funds will be distributed in three installments per grant: 1) The first payment of 50% will be distributed after the execution of the Grant Agreement. 2) The second payment of 40% will be distributed after the first payment of 50% has been expended and reporting requirements have been met. An eLINK Interim Financial Report that summarizes expenditures of the first 50% must be signed by the Grantee and approved by the Board. Selected grantees may be required at this point to submit documentation of the expenditures reported on the Interim Financial Report for verification. 3) The third payment of 10% will be distributed after the grant has been fully expended and reporting requirements are met. The final, 10% payment must be requested within 30 days of the expiration date of the Grant Agreement. An eLINK Final Financial Report that summarizes final expenditures for the grant must be signed by the Grantee and approved by the Board.
- 4.2. All costs must be incurred within the grant period.
- 4.3. All incurred costs must be paid before the amount of unspent funds is determined. Unspent grant funds must be returned within 30 days of the expiration date of the Grant Agreement.
- 4.4. The obligation of the State under this Grant Agreement will not exceed the amount listed above.
- 4.5. This Grant Agreement includes an advance payment of 50 % of each grant's total amount per grant. Advance payments allow the grantee to have adequate operating capital for start-up costs, ensure their financial commitment to landowners and contractors, and to better schedule work into the future.

5. **Conditions of Payment.**

- 5.1. All services provided by the Grantee under this Grant Agreement must be performed to the Board's satisfaction, as set forth in this Grant Agreement and in the Board-approved work plan for this Program. Compliance will be determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, State, and local laws, policies, ordinances, rules, FY 2022-2023 Clean Water Fund Watershed-based Implementation Funding Program Policy, and regulations. The Grantee will not receive payment for work found by the Board to be unsatisfactory or performed in violation of federal, State, or local law.
- 5.2. Minnesota Statutes § 103C.401 (2018) establishes the Board's obligation to assure program compliance. If the noncompliance is severe, or if work under the Grant Agreement is found by the Board to be unsatisfactory or performed in violation of federal, State, or local law, the Board has the authority to require the repayment of grant funds or withhold payment on grants from other programs.

6. **Assignment, Amendments, and Waiver.**

- 6.1. **Assignment.** The Grantee may neither assign nor transfer any rights or obligations under this Grant Agreement without the prior consent of the Board and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Grant Agreement, or their successors in office.

- 6.2. **Amendments.** Any amendments to this Grant Agreement must be in writing and will not be effective until approved and executed by the same parties who approved and executed the original Grant Agreement, or their successors in office. Amendments must be executed prior to the expiration of the original Grant Agreement or any amendments thereto.
- 6.3. **Waiver.** If the Board fails to enforce any provision of this Grant Agreement, that failure does not waive the provision or its right to enforce it.

7. **Liability.**

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this Grant Agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this Grant Agreement.

8. **State Audits.**

Under Minn. Stat. § 16B.98, Subd. 8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this Grant Agreement or transaction are subject to examination by the Board and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Grant Agreement, receipt and approval of all final reports, or the required period of time to satisfy all State and program retention requirements, whichever is later.

8.1. The books, records, documents, accounting procedures and practices of the Grantee and its designated local units of government and contractors relevant to this grant, may be examined at any time by the Board or Board's designee and are subject to verification. The Grantee or delegated local unit of government will maintain records relating to the receipt and expenditure of grant funds.

9. **Government Data Practices.**

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

10. **Workers' Compensation.**

The Grantee certifies that it is in compliance with Minn. Stat. § 176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

11. **Publicity and Endorsement.**

11.1. **Publicity.** Any publicity regarding the subject matter of this Grant Agreement must identify the Board as the sponsoring agency. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the Program, publications, or services provided resulting from this Grant Agreement.

11.2. **Endorsement.** The Grantee must not claim that the State endorses its products or services

12. **Governing Law, Jurisdiction, and Venue.**

Minnesota law, without regard to its choice-of-law provisions, governs this Grant Agreement. Venue for all legal proceedings out of this Grant Agreement, or its breach, must be in the appropriate State or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. **Termination.**

13.1. The Board may cancel this Grant Agreement at any time, with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

13.2. In the event of a lawsuit, an appropriation from a Clean Water Fund is canceled to the extent that a court determines that the appropriation unconstitutionally substitutes for a traditional source of funding.

13.3. The Board may immediately terminate this Grant Agreement if the Board finds that there has been a failure to comply with the provisions of this Grant Agreement, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The Board may take action to protect the interests of the State of

Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

**14. Data Disclosure.**

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and State tax agencies and State personnel involved in the payment of State obligations. These identification numbers may be used in the enforcement of federal and State tax laws which could result in action requiring the Grantee to file State tax returns and pay delinquent State tax liabilities, if any.

**15. Prevailing Wage.**

It is the responsibility of the Grantee or contractor to pay prevailing wage for projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§ 177.41 through 177.44. All laborers and mechanics employed by grant recipients and subcontractors funded in whole or in part with these State funds shall be paid wages at a rate not less than those prevailing on projects of a character similar in the locality. Bid requests must state the project is subject to prevailing wage.

**16. Municipal Contracting Law.**

Per Minn. Stat. § 471.345, grantees that are municipalities as defined in Subd. 1 of this statute must follow the Uniform Municipal Contracting Law. Supporting documentation of the bidding process utilized to contract services must be included in the Grantee’s financial records, including support documentation justifying a single/sole source bid, if applicable.

**17. Constitutional Compliance.**

It is the responsibility of the Grantee to comply with requirements of the Minnesota Constitution regarding the use of Clean Water Funds to supplement traditional sources of funding.

**18. Signage.**

It is the responsibility of the Grantee to comply with requirements for project signage as provided in Minnesota Laws 2010, Chapter 361, Article 3, Section 5(b) for Clean Water Fund projects.

**19. Intellectual Property Rights.**

The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents *created and paid for under this grant*. Works means all inventions, improvements, discoveries, (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this grant. Work includes “Documents.” Documents are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents or subcontractors, in the performance of this grant. The Documents will be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee upon completion or cancellation of this grant at the State’s request. To the extent possible, those Works eligible for copyright protection under the United State Copyright Act will be deemed to be “works made for hire.” The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State’s ownership interest in the Works and Documents.

*IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be duly executed intending to be bound thereby.*

**Approved:**

Minnehaha Creek WD

**Board of Water and Soil Resources**

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
*(signature)*

\_\_\_\_\_  
*(signature)*

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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

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