



May 13, 2019

Ms. Rebecca Haug
Water Resources Manager
City of Blaine
10801 Town Square Drive NE
Blaine, Minnesota 55449

Dear Ms. Haug,

This letter is provided as a follow-up to our recent conversation regarding a purchase of wetland bank credits from the City of Blaine by the State of Minnesota. The transaction would involve the purchase of ten (10) Type 2 wetland credits at a price of \$87,120 per credit. Since the purchase would be completed by the Board of Water and Soil Resources on behalf of the Minnesota Department of Transportation (MDOT) there would be no fees associated with this transaction resulting in a total purchase amount of \$871,200. At the time of our previous conversation you indicated the City would have the requested amount of credits and would be interested in selling the credits to the State at the price per credit identified previously in this letter. I ask that you provide written confirmation of the credit price and availability at your earliest convenience.

The funds for this purchase will not be available until July 2019 so we do not anticipate moving forward with completion of a Joint Powers Agreement (JPA) until the end of June 2019. However, we have completed a draft version of a JPA for your review and consideration based on the version used for a similar transaction in 2018. A copy of the draft version is attached to this letter. An electronic copy can be provided at your request.

If you have any questions or need additional information please contact me at (651) 600-7554.

Sincerely,

Tim Smith
Wetland Mitigation Coordinator

Encl.

**STATE OF MINNESOTA
JOINT POWERS AGREEMENT
SALE OF WETLAND BANK CREDITS**

THIS AGREEMENT is between the State of Minnesota, acting through its Board of Water and Soil Resources ("State"), and the City of Blaine. ("City").

RECITALS

Pursuant to Minn. Stat. § 103G.222, Minn. R. 8420.0544, and the Cooperative Wetland Replacement Partnership between the Board of Water and Soil Resources and the Minnesota Department of Transportation, the State is authorized to provide wetland replacement for public road impacts.

Pursuant to Minn. Stat. § 471.59, subdivision 10, the State is empowered to engage in such assistance as deemed necessary. The State is in need of wetland bank credit credits in Bank Service Area 7 to offset unavoidable wetland impacts associated with road safety and improvement projects.

The City has established replacement wetlands and received approval for the release and deposit of wetland bank credits ("Credits") from the Rice Creek Watershed District, which is the Local Government Unit ("LGU") under the Wetland Conservation Act. The City has also received approval from the U.S. Army Corps of Engineers under the Federal Clean Water Act, for the release and deposit of the Credits. Pursuant to Minn. Stat. § 103G.222, the City desires to sell a portion of the Credits to the State as replacement wetlands for public road projects.

STATEMENT OF PURPOSE

The purpose of this agreement is to identify the terms and conditions by which the State will purchase the ten (10) Credits from the City. The Credits will be used to satisfy state and federal replacement requirements for projects undertaken by the Minnesota Department of Transportation.

AUTHORIZED REPRESENTATIVES

The State's Authorized Representative is Tim Smith, Wetland Mitigation Coordinator, Minnesota Board of Water and Soil Resources, 520 Lafayette Road North, Saint Paul, MN 55155, (651) 600-7554, or his successor.

The City's Authorized Representative is Clark Arneson, City Manager, City of Blaine, 10801 Town Square Dr., Blaine, MN 55449, (763) 785-6120, or his successor.

AGREEMENT

1. Sales Agreement

- 1.1 The Recitals are incorporated into this Agreement by this reference.
- 1.2 The City agrees to sell to the State, and the State agrees to buy from the City, a total of ten (10) Credits.
- 1.3 The City represents and warrants as follows:

- A. The Credits are deposited in an account in the Minnesota Wetland Bank administered by the Minnesota Board of Water and Soil Resources (BWSR) pursuant to Minn. R. 8420.0700 to .0760; and
- B. The City owns the Credits and has the right to sell them to the State; and
- C. The Credits have been approved for release and deposit by the U.S. Army Corps of Engineers to satisfy federal mitigation requirements under the Clean Water Act.

2. Purchase Price, Costs and Fees

- 2.1 The State will purchase ten (10) Credits from the City at a price of \$87,120 per credit (totaling \$871,120). No payment of wetland banking fees will be required for this transaction.
- 2.2 The State shall pay the City the total purchase amount of \$871,120 on the Closing Date set forth at 3.1.

3. Closing Date

- 3.1 The closing of the purchase and sale of the Credits shall occur on _____, 2019 ("Closing Date"). The Closing Date may only be changed by written consent of both parties.

4. Amendments, Waiver, and Contract Complete

- 4.1 **Amendments.** Any amendment to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
- 4.2 **Waiver.** If the State fails to enforce any provision of this agreement, that failure does not waive the provision or the State's right to enforce it.
- 4.3 **Contract Complete.** This agreement contains all negotiations and agreements between the State and the City. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.

5. State Audits

Pursuant to Minn. Stat. § 16C.05, subd. 5, the City's books, records, documents, and accounting procedures and practices relevant to this agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six (6) years from the end of this agreement.

6. Government Data Practices

The City 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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the City under this agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the City or the State.

7. Venue

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

8. Termination

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

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statute §§ 16A.15 and 16C.05.

**3. STATE OF MINNESOTA, ACTING THROUGH
ITS BOARD OF WATER AND SOIL RESOURCES**

Signed: _____

By: _____
(with delegated authority)

Date: _____

CFMS Contract No. A-_____

Title: _____

Date: _____

2. CITY

By: _____

Title: _____

Date:

By:

Title:

Date:
