



# City of Blaine Anoka County, Minnesota

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## Legislation Text

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File #: MO 16-071, Version: 1

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**ECONOMIC DEVELOPMENT AUTHORITY** - *Jim Hafner, Stormwater Manager*

### **REQUEST INCENTIVE PAYMENT FOR BRANCH 3 WETLAND BANKING PROJECT**

The Branch 3 Wetland Banking Project was approved in 2009 as a means of creating wetland credits that could be banked and later sold to offset wetland impacts from development within the City of Blaine. The project was constructed in two phases: 1) a weir was built in the ditch lateral to ensure proper hydrology for the restoration of vegetation; and 2) the vegetation restoration. The vegetation restoration is complete and the project is ready to close out.

The approved contract amount for the restoration component of the project was a not to exceed \$454,912.50. At the time the EDA approved the restoration component of the project it was assumed there would be a potential maximum of 51.5 acres of wetland credit created, with a high degree of confidence that a minimum of 40 acres would be achieved. The monitoring plan and credit release schedule were still under review by the Technical Evaluation Panel and Corps of Engineers. It was 6 months after council approval that we got confirmation from the agencies they would approve up to 55 acres of new credit. The original RFP for the project included an incentive of \$2,000 per acre for each acre of wetland credit achieved over the minimum of 40 acres up to 51.5 acres.

The project came in under budget, by \$29,398.92. With payment of the incentive based on 15 acres over the minimum 40 acres, that would add \$30,000 to the restoration project costs and put the total over the not to exceed amount by \$601.

As the project is coming to a close there are a few items that need resolution:

- 1) Even though the incentive for achieving a maximum number of wetland credits was in the RFP it did not get included in the contract; something missed by both the city and the contractor. The contractor has worked in good faith anticipating the incentive would be paid.
- 2) When the contract was drawn up with the contractor, the 51.5 maximum credit number was used. With the later approval by the regulatory agencies of 55 acres of maximum credit, the contract was not amended at that time.
- 3) With the project now complete, the 55 acres was achieved and the wetland credits have been approved by the regulatory agencies and are deposited in the state wetland bank.

Staff is requesting the following approvals from the EDA:

- 1) Formally recognize and approve the incentive payment of \$30,000 to Critical Connections as suggested by the RFP.
- 2) Accept the maximum wetland credit amount of 55 acres (actually achieved).

By motion, adopt the maximum wetland credit amount of 55 acres and pay the \$30,000 incentive to Critical Connections Ecological Services.