



# PRIOR LAKE SPRING LAKE WATERSHED DISTRICT

## AGENDA

Tuesday, January 16, 2024

**6:00 PM**

Council Chambers  
Prior Lake City Hall

### BOARD OF MANAGERS:

**Bruce Loney, President; Frank Boyles, Vice President;  
Christian Morkeberg, Treasurer; Ben Burnett, Secretary; Matt Tofanelli, Manager**

Note: Individuals with items on the agenda or who wish to speak to the Board are encouraged to be in attendance when the meeting is called to order.

### Board Workshop 4:00 PM – *Parkview Conference Room*

For this workshop (*not closed meeting or board meeting*), there will be an option for attendance via Interactive Technology

[Click here to join the meeting](#)

One PLSLWD manager will be participating at the *workshop and closed meeting* using interactive technology from 1484 Hyla Avenue NW, Issaquah, WA 98027

- |                |     |   |
|----------------|-----|---|
| 4:00 – 4:20 PM | W.1 | Upper Watershed Approach Follow-up (Emily Dick)   |
| 4:20 – 4:30 PM | W.2 | Website Refresh Update (Patty Dronen)   |
| 4:30 – 4:40 PM | W.3 | Haas Lake – Resident Water Quality Concerns (Jeff Anderson)   |
| 4:40 – 4:45 PM | W.4 | Managers Retreat: Draft Agenda Review (Bruce Loney)   |
| 4:45 – 4:50 PM | W.5 | Board Officer Appointments (Bruce Loney)  |
| 4:50 – 4:55 PM | W.6 | Board Liaison Appointments (Bruce Loney)  |
| 4:55 – 5:10 PM | W.7 | Liaison Updates <ul style="list-style-type: none"> <li>• District Partners in Attendance</li> <li>• Managers' Summary of other Meetings Attended</li> </ul> |
| 5:10 – 5:15 PM | W.8 | Administrator Report (Joni Giese)   |
| 5:15 – 5:50 PM | W.9 | <b><i>Closed Meeting: Swamp Iron Enhanced Sand Filter Easement Negotiation Discussion</i></b>   |

6:00 – 6:02 PM 1.0 **BOARD MEETING CALL TO ORDER & PLEDGE OF ALLEGIANCE**

6:02 – 6:04 PM 2.0 **PUBLIC COMMENT**

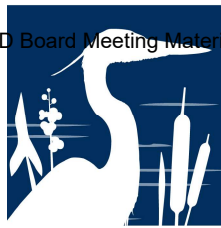
If anyone wishes to address the Board of Managers on an item not on the agenda or on the consent agenda, please come forward at this time. Go up to the podium, turn on the microphone and state your name and address. (The Chair may limit your time for commenting.)

6:15 – 6:17 PM 3.0 **APPROVAL OF AGENDA** (Additions/Corrections/Deletions)

6:17 – 6:40 PM 4.0 **OTHER OLD/NEW BUSINESS**

- |     |   |
|-----|---|
| 4.1 | Programs & Projects Update (Discussion Only)                                  |
| 4.2 | Approval of new CAC Members: Amy Butani (Vote)                                |
| 4.3 | Approval of new CAC Members: Richard Schirber (Vote)                          |
| 4.4 | 2023 Watercraft Inspections Report: Waterfront Restorations (Discussion Only) |
| 4.5 | Cost Share Project Approval (Vote)  |

- 6:40 – 6:50 PM 5.0 **TREASURER’S REPORT**
- 5.1 Monthly Financial Reports (Discussion Only)
- Financial Report
  - Treasurers Report
  - Cash Flow Projections
- 5.2 Quarterly Financial Reports
- Balance Sheet
  - Cost Analysis
- 6:50 – 6:55 PM 6.0 **CONSENT AGENDA**
- The consent agenda is considered as one item of business. It consists of routine administrative items or items not requiring discussion. Items can be removed from the consent agenda at the request of the Board member, staff member, or a member of the audience. Please state which item or items you wish to remove for separate discussion.
- 6.1 Meeting Minutes – December 12, 2023, Board Workshop
- 6.2 Meeting Minutes – December 12, 2023, Board Meeting
- 6.3 Claims List and Bank Purchase Card Expenditures Summary
- 6.4 2024 Permit Fee Schedule
- 6.5 Schedule of 2024 Regular Board Meetings
- 6.6 Schedule of 2024 CAC Meetings
- 6.7 Approval of 2024 CAC Members
- 6.8 Selecting the 2024 Official Newspaper
- 6.9 Selecting the 2024 District Depository Banks
- 6.10 2024 Board Officer Appointments
- 6.11 2024 Board Liaison Appointments
- 6.12 Abdo Professional Service Agreement: 2023 Audit
- 6.13 EOR Master Services Consulting Agreement
- 6.14 CLA Master Services Agreement and Scope of Work Agreements
- 6:55 – 7:00 PM 7.0 **UPCOMING MEETING/EVENT SCHEDULE:**
- CAC Meeting, Thursday, January 25, 2024, 6:00 pm (Prior Lake City Hall – Wagon Bridge Conference Room)
  - Board of Managers Retreat, Saturday, January 27, 2024, 9:00 am (Prior Lake City Hall – Wagon Bridge Conference Room)
  - PLOC Project Cooperators Meeting, Thursday, February 15, 12:00 pm (Prior Lake City Hall – Wagon Bridge Conference Room)
  - Board of Managers Workshop, Tuesday, February 20, 2024, 4:00 pm (Prior Lake City Hall – Parkview Conference Room)
  - Board of Managers Meeting, Tuesday, February 20, 2024, 6:00 pm (Prior Lake City Hall – Council Chambers)
- 7:00 PM 8.0 **ADJOURNMENT**



## JANUARY 2024 PROGRAMS AND PROJECTS UPDATE

PROGRAM OR PROJECT	LAST MONTH'S STAFF ACTIVITIES	NEXT STEPS
<p><b>Carp Management</b> <i>Rough Fish Management (Class 611)</i> Project Lead: Jeff</p>	<ul style="list-style-type: none"> <li>Planned for 2024 activities.</li> </ul>	<ul style="list-style-type: none"> <li>Continue tracking carp when ice is safe.</li> <li>Analyze PIT station data.</li> <li>Complete repairs on Freemont barrier in 2024.</li> </ul>
<p><b>Ferric Chloride System Operations</b> Project Lead: Jeff and Emily</p>	<ul style="list-style-type: none"> <li>Reviewed draft system assessment reports. Completed radar sensor due diligence to inform maintenance.</li> <li>Completed yearend report updates and annual permit requirements.</li> <li>Completed quarterly Discharge Monitoring Report</li> </ul>	<ul style="list-style-type: none"> <li>Replace failed datalogger and sensors.</li> <li>Continue to review and finalize elements of the system assessment reports.</li> </ul>
<p><b>Farmer-Led Council</b> Project Lead: Emily</p>	<ul style="list-style-type: none"> <li>Continued coordination with Scott SWCD.</li> <li>Held December FLC meeting with speaker and annual thank you's.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to support and review FLC projects.</li> <li>Plan March Lake Friendly Farm event.</li> <li>Discuss FLC strategy with SWCD.</li> </ul>
<p><b>Cost Share Incentives</b> Project Lead: Emily</p>	<ul style="list-style-type: none"> <li>Met with SWCD and interested landowner to discuss potential shoreline restoration project.</li> <li>Provided suggested revisions to the 2024 Docket and participated in planning meeting.</li> </ul>	<ul style="list-style-type: none"> <li>Review cost share applications with Scott SWCD as needed.</li> <li>Present non-traditional cost share project types for Board approval as applicable.</li> <li>Present 2024 Docket revisions to Board.</li> </ul>
<p><b>Sutton Lake Outlet and Lake Management Plan</b> Project Lead: Emily</p>	<p><b>Lake Management Plan</b></p> <ul style="list-style-type: none"> <li>Discussed a communications plan to educate landowners of the actions related to the lake management plan.</li> </ul>	<p><b>Lake Management Plan</b></p> <ul style="list-style-type: none"> <li>Organize plan for drawdown monitoring in 2024.</li> </ul>

# JANUARY 2024 PROGRAMS AND PROJECTS UPDATE

PROGRAM OR PROJECT	LAST MONTH'S STAFF ACTIVITIES	NEXT STEPS
<p><b>Upper Watershed Projects</b></p> <p><i>Project Lead: Emily</i></p>	<p><b>Overall</b></p> <ul style="list-style-type: none"> <li>Utilized updated upper watershed prioritization tool.</li> </ul> <p><b>Buck Wetland Enhancements</b></p> <ul style="list-style-type: none"> <li>No action.</li> </ul> <p><b>Buck Stream Restoration</b></p> <ul style="list-style-type: none"> <li>Site visit with consultant and surveyor to develop rough stream restoration concept.</li> <li>Met with SWCD and EOR to discuss next steps to utilize Clean Water Fund grant available in 2024.</li> </ul> <p><b>Spring Lake West IESF/Wetland</b></p> <ul style="list-style-type: none"> <li>Reached IESF landowners to restart discussions.</li> <li>Alternate BMP locations and projects identified. Initial discussions held with landowner.</li> </ul> <p><b>Sutton Lake IESF</b></p> <ul style="list-style-type: none"> <li>No action.</li> </ul> <p><b>2023 WBIF Studies</b></p> <ul style="list-style-type: none"> <li>Finalized FLMPU after input from Township, Board, landowners, and TAC partners.</li> <li>Finalized feasibility study for Swamp Lake IESF after input from Township, Board, landowners and TAC partners.</li> <li>Met with Swamp IESF landowner to discuss potential project development.</li> </ul> <p><b>Potential Flood Storage Projects</b></p> <ul style="list-style-type: none"> <li>None.</li> </ul>	<p><b>Overall</b></p> <ul style="list-style-type: none"> <li>Continue to work with Board to develop upper watershed project approach.</li> </ul> <p><b>Buck Wetland Enhancements</b></p> <ul style="list-style-type: none"> <li>Create project tracking inventory to track long-term outreach plan.</li> <li>Seek Board opinion about continued project development.</li> </ul> <p><b>Buck Stream Restoration</b></p> <ul style="list-style-type: none"> <li>Develop rough design and cost estimate.</li> <li>Secure landowner willingness.</li> </ul> <p><b>Spring Lake West IESF/Wetland</b></p> <ul style="list-style-type: none"> <li>Provide estimated numbers and benefits to IESF landowners.</li> <li>Seek to progress feasible IESF or BMP to implementation.</li> </ul> <p><b>Sutton Lake IESF</b></p> <ul style="list-style-type: none"> <li>Assess Upper Watershed approach, landowner willingness, and site feasibility in determining next steps.</li> </ul> <p><b>2023 WBIF Studies</b></p> <ul style="list-style-type: none"> <li>Work with Board to identify priority projects from FLMP.</li> <li>Work with Board to determine Swamp IESF project development.</li> <li>Meet with Swamp IESF landowner to further discuss project development potential.</li> </ul> <p><b>Potential Flood Storage Projects</b></p> <ul style="list-style-type: none"> <li>Schedule meeting with landowner on Project 6 after holidays.</li> <li>Assess whether alternative projects should be considered if low landowner interest continues.</li> </ul>



## JANUARY 2024 PROGRAMS AND PROJECTS UPDATE

PROGRAM OR PROJECT	LAST MONTH'S STAFF ACTIVITIES	NEXT STEPS
<p><b>Website and Media</b> <i>Project Lead: Danielle</i></p>	<p><b>Social Media</b> Continue updating Facebook and Instagram about projects &amp; news: Minnesota Watershed training, Woody recognition, Chloride pollution, Happy holidays, Board meeting schedule change notice.</p>	<ul style="list-style-type: none"> <li>Continue updating Facebook, and Instagram about projects &amp; news: Ice-over trends, Ice safety and no-litter, etc.</li> <li>Submit SCENE article: year in review.</li> </ul>
<p><b>Citizen Advisory Committee</b> <i>Project Lead: Danielle</i></p>	<ul style="list-style-type: none"> <li>Interviewed 2 applicants for recommendation.</li> <li>Meeting planning</li> </ul>	<ul style="list-style-type: none"> <li>January CAC meeting</li> <li>Onboard new members (pending approval)</li> </ul>
<p><b>Education Program</b> <i>Project Lead: Danielle</i></p>	<ul style="list-style-type: none"> <li>See Website and Media section.</li> <li>Outline 2024 Education and Outreach Plan</li> </ul>	<ul style="list-style-type: none"> <li>See Website and Media section.</li> <li>Draft 2024 Education and Outreach Plan</li> <li>Plan/prepare outreach materials on projects as needed</li> </ul>
<p><b>Monitoring Program</b> <i>Project Lead: Jeff</i></p>	<ul style="list-style-type: none"> <li>Completed Tier 1 Lake Report Cards</li> <li>Completed stream and lake hydrographs</li> <li>Completed 2023 water level data entry.</li> <li>Began working on backlog of 2022 data entries.</li> <li>Worked with public to keep lookout on District lake ice-over dates.</li> <li>Worked on compiling historic District monitoring site location and specific site analysis records to make recommendations for future data needs.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to analyze and report on current and past data.</li> <li>Share datasets with partners and agencies.</li> <li>Create mapping report on historic monitoring site locations and analysis.</li> <li>Continue uploading current and past data to WISKI.</li> <li>Continue creating protocol for using WISKI.</li> </ul>
<p><b>Aquatic Vegetation Management and Surveys</b> <i>Project Lead: Jeff</i></p>	<ul style="list-style-type: none"> <li>No Updates</li> </ul>	<ul style="list-style-type: none"> <li>Contract vegetation surveys and treatments in spring.</li> </ul>
<p><b>AIS</b> <i>Project Lead: Jeff</i></p>	<ul style="list-style-type: none"> <li>Worked with Waterfront Restoration and DNR to ensure surveys entered correctly into database.</li> </ul>	<ul style="list-style-type: none"> <li>Plan for 2024 Boat inspections.</li> <li>Coordinate with DNR on knowing Sand Point launch will be under construction during peak season.</li> </ul>
<p><b>Rules Revisions</b> <i>Project Lead: Joni</i></p>	<ul style="list-style-type: none"> <li>Interaction with Scott County to advance equivalency MOA.</li> </ul>	<ul style="list-style-type: none"> <li>Finalize City of Prior Lake equivalency MOA.</li> <li>Either finalize City of Savage interim equivalency agreement or pursue PLSLWD permitting.</li> <li>Continue working with Scott County to finalize equivalency MOA and monitor Scott County rule updates required for equivalency.</li> </ul>

## JANUARY 2024 PROGRAMS AND PROJECTS UPDATE

PROGRAM OR PROJECT	LAST MONTH'S STAFF ACTIVITIES	NEXT STEPS
<p><b>BMPs &amp; Easements</b> <i>Project Lead: Joni</i></p>	<ul style="list-style-type: none"> <li>• Began installation of missing conservation easement signs</li> </ul>	<ul style="list-style-type: none"> <li>• Continue installation of missing conservation easement signs.</li> <li>• Wrap up work on outstanding issues associated with:               <ul style="list-style-type: none"> <li>○ Development Agreement and Conservation Easement establishment process and document templates.</li> <li>○ Process for amending conservation easements.</li> <li>○ Approach for easement encroachments.</li> </ul> </li> <li>• Work to resolve outstanding easement violations.</li> </ul>
<p><b>Permitting</b> <i>Project Lead: Joni</i></p>	<ul style="list-style-type: none"> <li>• Prepared development review comments for two projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to close out old permits.</li> <li>• Attend workshop of MS4 requirements.</li> </ul>
<p><b>Planning Activities</b> <i>Project Lead: Joni</i></p>	<ul style="list-style-type: none"> <li>• Meeting with BWSR regarding 1W1P process.</li> <li>• Provide input into Met Council SW Metro Water Supply Planning process.</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in quarterly SCALE Water Committee meetings (meeting focus will be on WBIF).</li> <li>• Review and provide comments on draft 1W1P report during 60-day review period.</li> </ul>
<p><b>Outlet Channel Projects and Administration</b> <i>Project Lead: Emily/Jeff</i></p>	<ul style="list-style-type: none"> <li>• Prepared for pipe lining presentation in Senate bonding tour.</li> <li>• Reviewed updated bid documents for pipe lining.</li> <li>• Coordinated with EOR regarding outlet flow scenarios and creation of outlet operating guidelines. Met with Minnehaha Creek Watershed District to learn about their approach to predictive management and operations.</li> <li>• Coordinated with easement owner on vegetation concerns. Met with SWCD to make field observations recommendations.</li> <li>• Began work on annual operations report.</li> </ul>	<ul style="list-style-type: none"> <li>• Pipe lining construction expected to occur in winter 2024/2025 if capital funding awarded.</li> <li>• Present at Senate bonding tour January 16.</li> <li>• Keep watch on beaver dams and remove as necessary.</li> <li>• Remove larger fallen trees/jams identified as potential concerns for flow diversion and bank erosion.</li> <li>• Finalize annual operations report.</li> <li>• Continue to work with EOR to model outlet flow scenarios and create outlet operating guidelines.</li> <li>• Hold discussion with easement owner on vegetations concerns.</li> </ul>
<p><b>General Administration</b> <i>Project Lead: Joni</i></p>	<ul style="list-style-type: none"> <li>• Negotiated contracts with selected professional service providers for 2024 – 2025.</li> <li>• Continued to review files for archiving.</li> <li>• Provide second round of feedback to consultant regarding District Website Redesign.</li> </ul>	<ul style="list-style-type: none"> <li>• Update remainder of personnel policy in 2024.</li> <li>• Address outstanding encroachment issue related to a District owned parcel.</li> </ul>



<b>Subject</b>	Approval of new CAC Member: Amy Butani	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 4.2
<b>Prepared By</b>	Danielle Studer	
<b>Attachments</b>	Amy Butani CAC Application	
<b>Proposed Action</b>	Motion to approve the appointment of Amy Butani to the District’s Citizen Advisory Committee.	

**Background**

The District’s Citizen Advisory Committee (CAC) is composed of residents of the District and advises the Board of Managers on topics relevant to the District. The CAC is required by MN Statute 103D.331 to consist of at least 5 members appointed at the discretion of the Board of Managers. A CAC New Member Subcommittee, comprised of the CAC Chair, Board of Managers liaison to the CAC, and the District staff liaison to the CAC, reviews CAC membership applications, performs applicant interviews, and provides a recommendation for membership to the Board.

**Discussion**

Upon review of Amy Butani’s application to the CAC and an interview, the CAC New Member Subcommittee feels that Ms. Butani would be a valuable addition to the CAC.

**Recommendation**

The CAC New Member Subcommittee recommends that the Board of Managers approve the appointment of Amy Butani to the District’s Citizen Advisory Committee.



**Citizens Advisory Committee (CAC)**

**Application**

Name: Amy Butani	
Address: [REDACTED]	
Phone: [REDACTED]	
Email: [REDACTED]	
Occupation: [REDACTED]	
Employer: [REDACTED]	
Employer's Address: [REDACTED]	
How long have you lived in the District?	Since (year)
Since 2003, 20 years	
Please state briefly why you are interested in serving on the Citizen Advisory Committee: I am a citizen who is very interested in preserving and improving the health of our waters so that we and future generations can continue to benefit from this natural resource.	
What watershed topics are you most interested in?	
<input checked="" type="checkbox"/> Shoreline Restoration <input checked="" type="checkbox"/> Fish Stocking <input checked="" type="checkbox"/> Flood Storage Assessment, Plans and Wetland Banking <input checked="" type="checkbox"/> Aquatic Invasive Species/Signage <input checked="" type="checkbox"/> Lake Life and Water Quality <input checked="" type="checkbox"/> Other ideas you would like the CAC to consider (explain below):	

Conflict of interest is defined as the participation in any activity, recommended action, or decision from which the individual has or could have the potential to receive personal gain, whether it be direct or indirect. In accordance with this definition, do you have any legal or equitable interest in any business, however organized, which could be construed as a conflict of interest?

Yes

No

If yes, please describe here:

Are you related to any Watershed District Board Member or to any member on the Citizens Advisory Committee?

Yes

No

If yes, give name and relationship

Other qualifications, experience, information or comments you would like to submit:

My involvement and interest in the health of our watershed has spanned decades, including my time as president of the Spring Lake Association for 3 years in the 2010's.

*PERSONS WITH DISABILITIES ARE ENCOURAGED TO APPLY*

**Return this completed application form to:**

**Prior Lake-Spring Lake Watershed District**

4646 Dakota Street SE

Prior Lake, MN 55372

[info@plslwd.org](mailto:info@plslwd.org)

952-447-4166

*This application will be kept on file for 12 months.*



<b>Subject</b>	Approval of new CAC Member: Richard Schirber	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 4.3
<b>Prepared By</b>	Danielle Studer	
<b>Attachments</b>	Richard Schirber CAC Application	
<b>Proposed Action</b>	Motion to approve the appointment of Richard Schirber to the District's Citizen Advisory Committee.	

### **Background**

The District's Citizen Advisory Committee (CAC) is composed of residents of the District and advises the Board of Managers on topics relevant to the District. The CAC is required by MN Statute 103D.331 to consist of at least 5 members appointed at the discretion of the Board of Managers. A CAC New Member Subcommittee, comprised of the CAC Chair, Board of Managers liaison to the CAC, and the District staff liaison to the CAC, reviews CAC membership applications, performs applicant interviews, and provides a recommendation for membership to the Board.

### **Discussion**

Upon review of Richard Schirber's application to the CAC and an interview, the CAC New Member Subcommittee feels that Mr. Schirber would be a valuable addition to the CAC.

### **Recommendation**

The CAC New Member Subcommittee recommends that the Board of Managers approve the appointment of Richard Schirber to the District's Citizen Advisory Committee.



**Citizens Advisory Committee (CAC)**

**Application**

Name: Richard Schirber	
Address: [REDACTED]	
Phone:	[REDACTED]
Email: [REDACTED]	
Occupation: [REDACTED]	
Employer: [REDACTED]	
Employer's Address: [REDACTED]	
How long have you lived in the District?	Since (year)
2016	
Please state briefly why you are interested in serving on the Citizen Advisory Committee: I live on the lake. I'm retired and want to contribute to the community. My employment background includes marketing and strategic planning.	
What watershed topics are you most interested in?	
<input type="checkbox"/> Flood Storage Assessment, Plans and Wetland Banking <input checked="" type="checkbox"/> Aquatic Invasive Species <input checked="" type="checkbox"/> Water Quality <input type="checkbox"/> Other ideas you would like the CAC to consider (explain below):	
Watershed access for citizens.	

Conflict of interest is defined as the participation in any activity, recommended action, or decision from which the individual has or could have the potential to receive personal gain, whether it be direct or indirect. In accordance with this definition, do you have any legal or equitable interest in any business, however organized, which could be construed as a conflict of interest?

Yes

No

If yes, please describe here:

Are you related to any Watershed District Board Member or to any member on the Citizens Advisory Committee?

Yes

No

If yes, give name and relationship

Other qualifications, experience, information or comments you would like to submit:

*PERSONS WITH DISABILITIES ARE ENCOURAGED TO APPLY*

**Return this completed application form to:**

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4646 Dakota Street SE

Prior Lake, MN 55372

[info@plslwd.org](mailto:info@plslwd.org)

952-447-4166

*This application will be kept on file for 12 months.*





**Subject |** Watercraft Inspections 2024 Season Report: Waterfront Restoration, LLC

**Board Meeting Date |** January 16, 2024

Item No: 4.4

**Prepared By |** Jeff Anderson, Water Resources Coordinator

**Attachment |** 2023 Season Report: PLSLWD Watercraft Inspections

**Action |** No motion required. Discussion only.

### **Background**

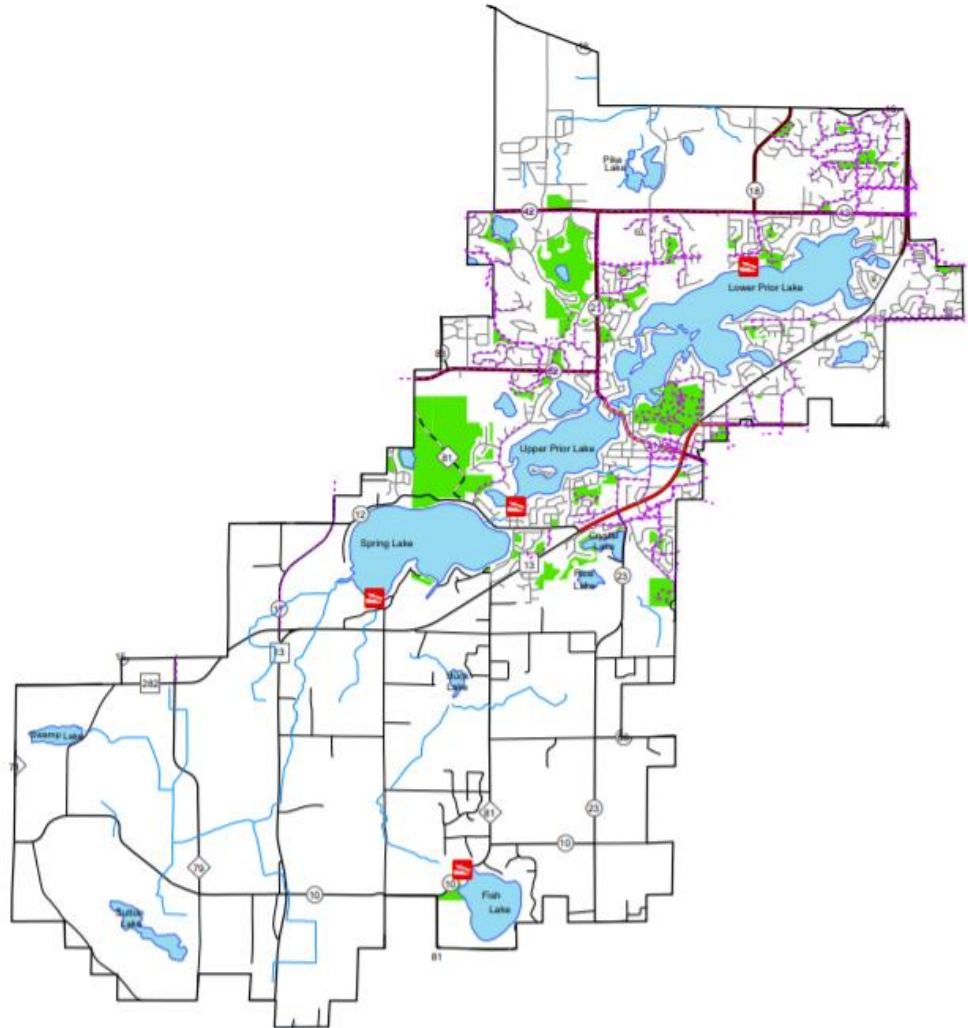
PLSLWD contracted Waterfront Restoration to perform watercraft inspections on Spring Lake, Upper and Lower Prior Lake, and Fish Lake from May to October 2023. At the end of the inspection season, Waterfront Restoration is contracted to make a presentation to the Board of Managers summarizing work performed, inspection survey data, general observations, and any recommendations regarding future inspections.

### **Discussion**

Ben Brandt (Waterfront Restoration) will give a brief presentation regarding 2023 watercraft inspections.



# 2023 Season Report



## Prior Lake-Spring Lake Watershed District Watercraft Inspections

Waterfront Restoration, LLC  
December 31, 2023

## Prior Lake-Spring Lake Watershed District Watercraft Inspection Survey Data Table of Contents

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# 2023 Prior Lake-Spring Lake Watershed District Watercraft Inspection Program

## Watercraft Inspection Summary

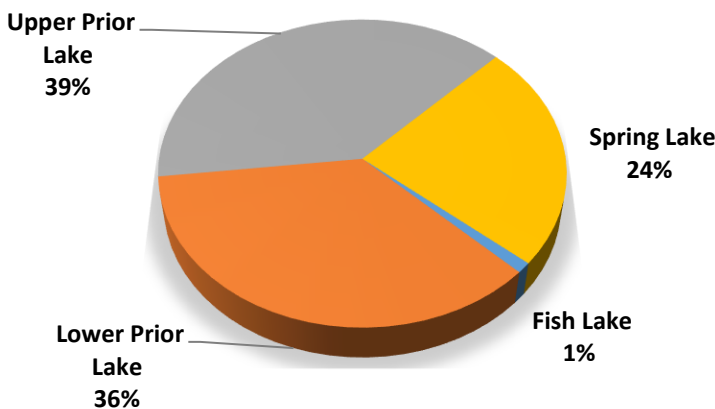
Waterfront Restoration was contracted to administer the Prior Lake-Spring Lake Watershed District’s 2023 Aquatic Invasive Species (AIS) watercraft inspection program. The watershed district provided the four lake launches on which they desired watercraft inspector coverage, as well as the days and hours during which the inspector coverage was to take place. The staffed launches were located at Fish Lake, Lower Prior Lake, Upper Prior Lake, and Spring Lake. For most of the season (5/13/23 through 10/7/23) it was requested that Spring, Upper and Lower Prior Lakes have full Friday, Saturday and Sunday and holidays (Memorial Day, 4<sup>th</sup> of July, and Labor Day) coverage, from 8 A.M. – 4.30 P.M. Due to lower traffic, Fish Lake was requested to have periodic staffing totaling 15 inspector hours each month on weekends.

**Table 1:** 2023 Watercraft Inspection Totals

Lake Name	Inspections	Inspection Hours
Fish Lake	42	60
Lower Prior Lake	1,387	240
Upper Prior Lake	1,512	307
Spring Lake	915	404
<b>Total</b>	<b>3,856</b>	<b>1,011</b>

The 2023 AIS inspection program kicked-off on MN Fishing Opener, Saturday May 13<sup>th</sup> and concluded on Saturday October 7<sup>th</sup>. According to MN DNR inspector survey data, 3,856 watercraft inspections were completed during the 2023 season (Table 1). Of that total, 2,434 were entering inspections, 1,413 were exiting inspections. There were also 6 lifts and 3 courtesy inspections. Upper Prior Lake accounted for the largest portion of inspections at 39%, (Figure 1). Lower Prior Lake (36%), Spring Lake (24%) and Fish Lake (1%) accounted for the other inspections.

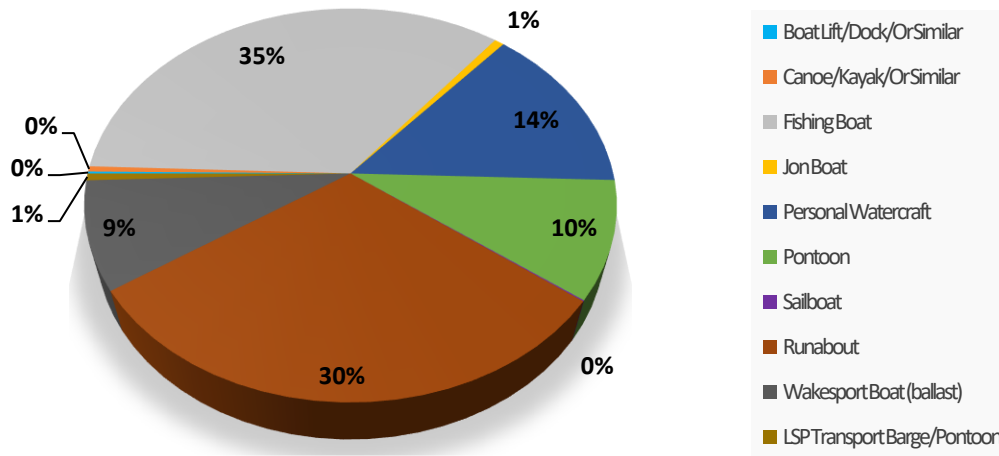
## 2023 Watercraft Inspection Survey



**Figure 1:** Chart (above) reflects the percentage of total inspections completed at each lake during the 2023 inspection season. This total only reflects the number of inspection surveys completed by inspectors staffed by Waterfront Restoration. There are an additional 5,062 inspection surveys completed by DNR staff that were also staffed on lakes mentioned in this report.

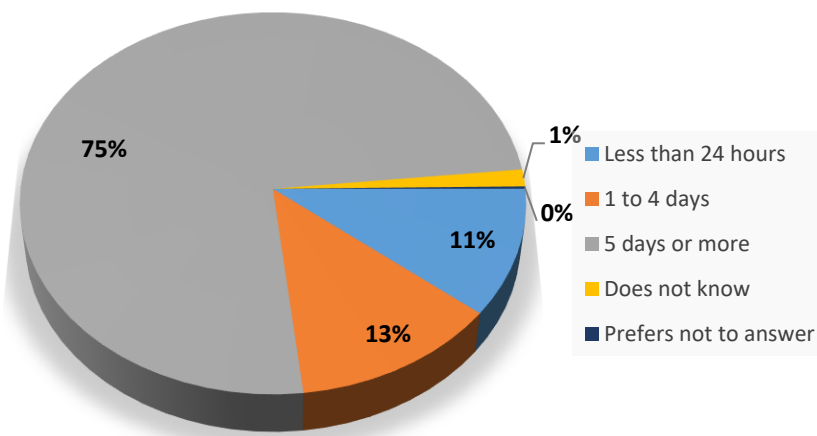
The inspection survey data reveals that 35% of all inspections were conducted on fishing boats, while runabouts were the second most inspected watercraft at 30% (Figure 2). Personal watercrafts (14%), pontoons (10%) and Wakesport boat (with ballast) (9%) accounted for about a third of the total inspections completed. Canoe/kayaks/or similar, Jon boats, Sailboats and Boat Lifts/Docks accounted for 2% of the total inspections.

### Type of Watercraft



**Figure 2:** Chart (above) reflects the percentage of total inspections conducted on watercraft types during the 2023 inspection season.

### Time Out of Water Before Entering

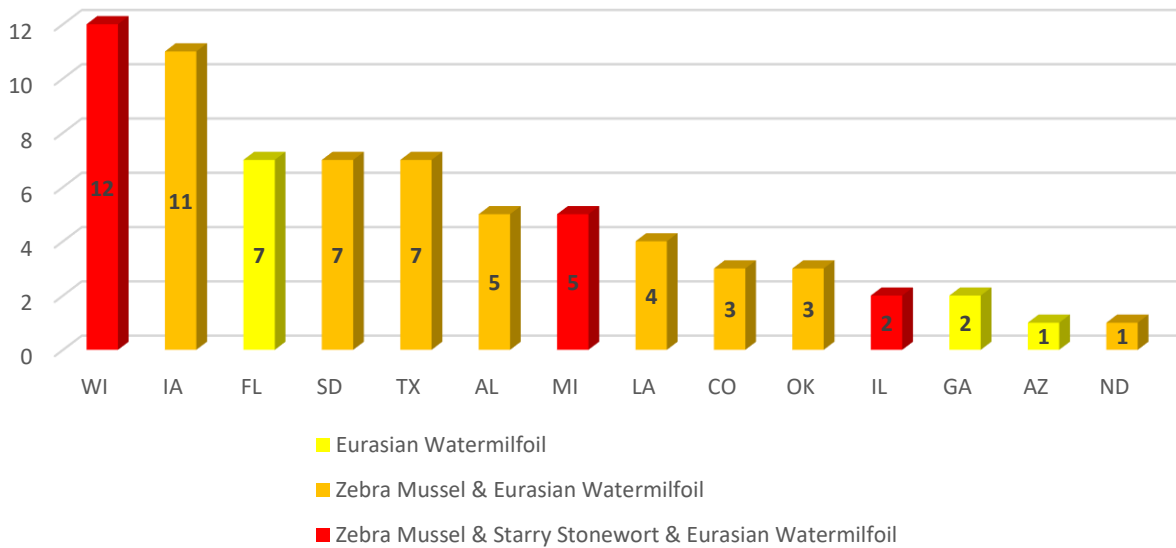


**Figure 3:** Chart (above) reflects the percentage of responses from entering boaters regarding the amount of time their watercraft had been out of the water prior to entering a staffed lake.

The data also shows that throughout the 2023 inspection season 75% of watercrafts entering had been kept out of water for the recommended 5 days or more, while 13% were reported as only being out for 1-4 days (Figure 3). However, 261 (11%) entering watercrafts were reported as being out of the water for less than 24 hours. These boats that were out of the water for less than 24hrs pose the highest risk of AIS being transported. The remaining 1% of boaters reported that they either did not know how long the watercraft had been out of the water for, or they preferred not to answer.

While most inspected watercrafts were recorded as being trailered by vehicles from Minnesota, the remaining watercrafts were recorded as being brought in by out-of-state vehicles. The most common out-of-state vehicles trailering a watercraft were from Wisconsin at 12, followed by Iowa at 11 (Figure 4). Note that when determining what state, a watercraft is from, only the license number of the vehicle pulling the watercraft is recorded.

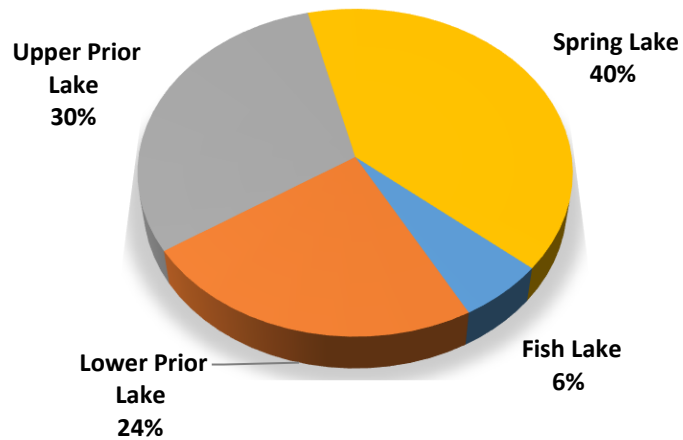
### Number of Out-of-state Watercraft Inspected



**Figure 4:** Graph (above) reflects the number of watercrafts recorded as being from out-of-state. Each state is color coded to indicate certain AIS that has been reported in each state. Note, “No infestation” only suggests that neither zebra mussels, Eurasian Watermilfoil nor Starry Stonewort have been recorded in the given state.

The four Prior Lake-Spring Lake Watershed District launches were staffed for a total of 1,011 hours in 2023. Spring Lake received the highest percent of inspection hours at 40% (404 hours). (Figure 5). Upper Prior Lake received 30% (307 hours) and Lower Prior Lake received 24% (240 hours) of the inspection hours. Fish Lake received 6% (60 hours) of the inspection hours.

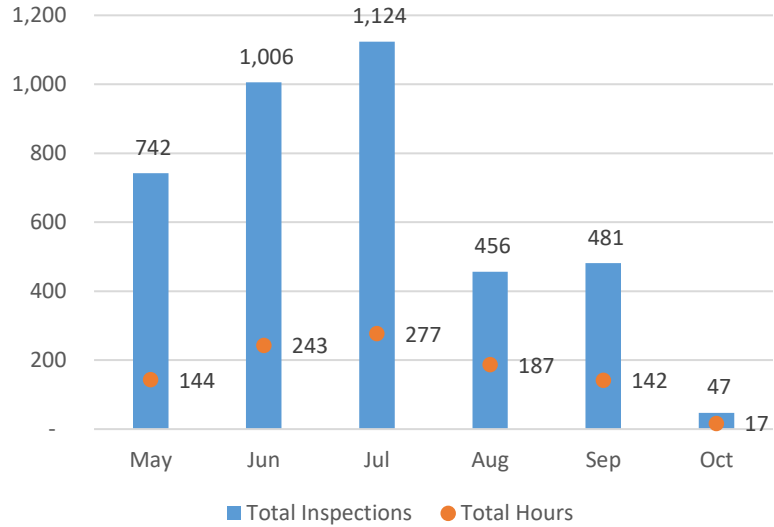
### 2023 Watercraft Inspection Staffing Allocation Percentages



**Figure 5:** Chart (above) reflects the percentage of total hours received by each lake during the 2023 inspection season.

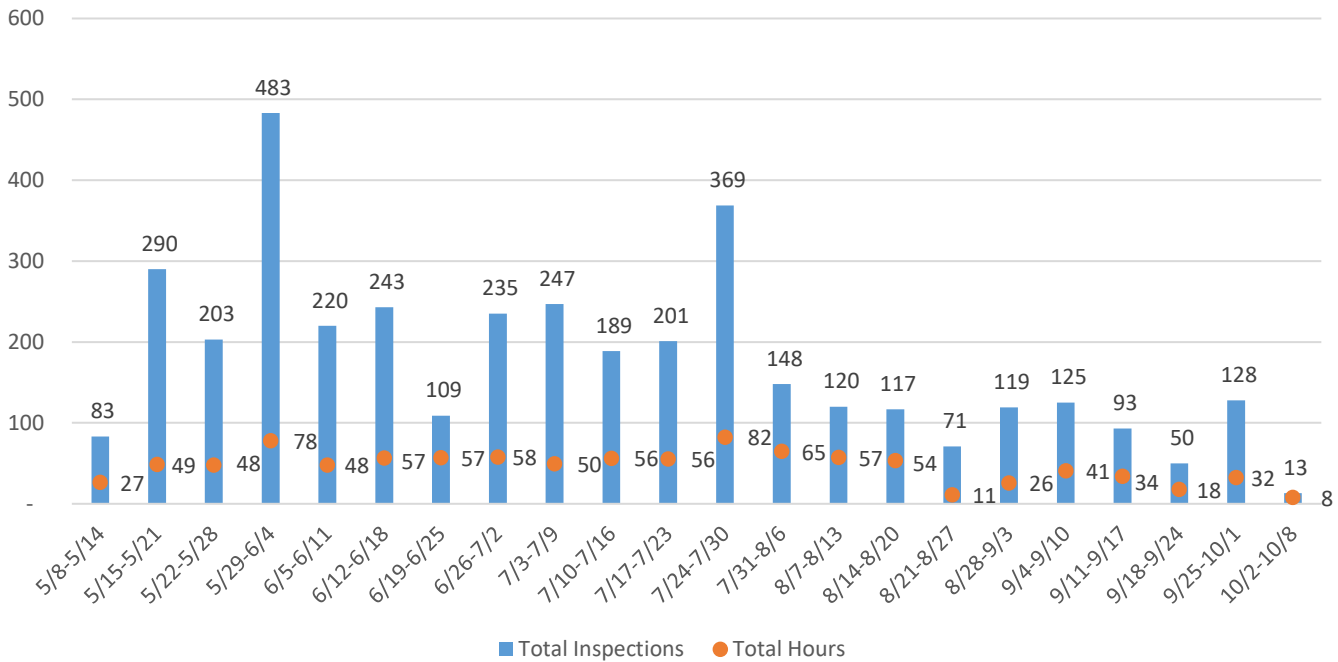
From the survey data we determined that the busiest month for watercraft inspections was July, with 1,124 completed surveys. June followed closely behind at 1,006 inspections. May had about two thirds as many surveys logged (742) due to less hours of staffing and the spring weather that was not favorable to boating (Figure 6). August, September, and October have understandably lower inspection counts since coverage hours significantly decreased and it is at the end of the season. Further detail by week can be found in Figure 7, where it shows that the last week of May has the highest count of inspection surveys at 483 due to the Memorial Day holiday weekend.

### Inspections by Month



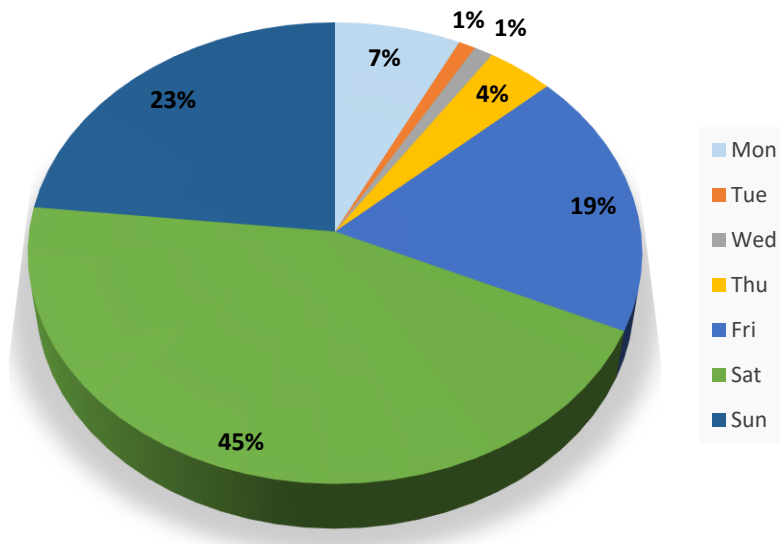
**Figure 6:** Graph (above) reflects the number of inspection surveys, and the hours of inspector coverage logged each month during the 2023 inspection season.

### Inspections by Week



**Figure 7:** Graph (above) reflects the number of inspection surveys, and the hours of inspector coverage logged each week during the 2023 inspection season.

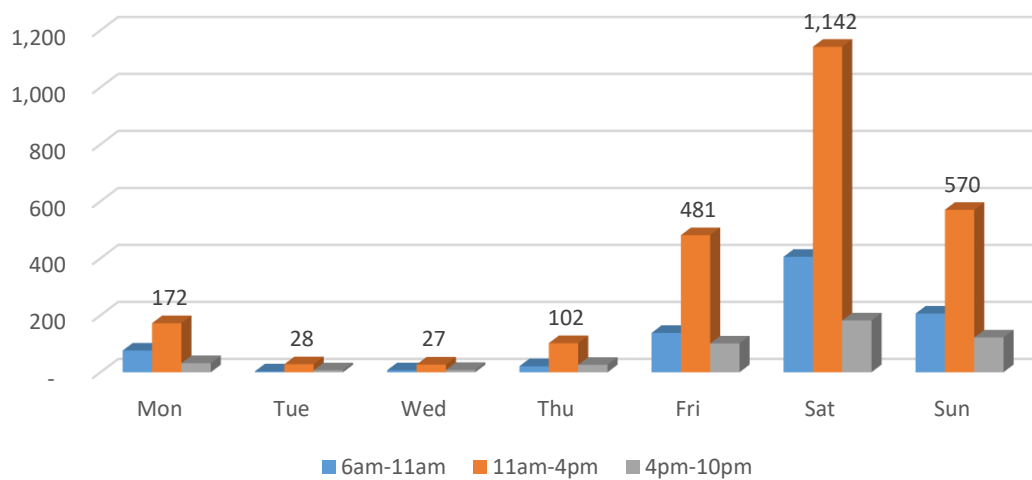
## Inspections by Week Day



The data shows that the busiest day for inspections was Saturday, which accounted for 45% of inspections (Figure 8). Sunday and Friday followed with 23% and 19% of the total inspections being complete, respectively. On Fridays, Saturdays, and Sundays alike, the data shows that the busiest time of day for inspections is between 11 A.M. to 4 P.M. (Figure 9).

**Figure 8:** Chart (above) reflects the distribution of completed inspection surveys by day of week during the 2023 inspection season.

## Inspections by Time of Day

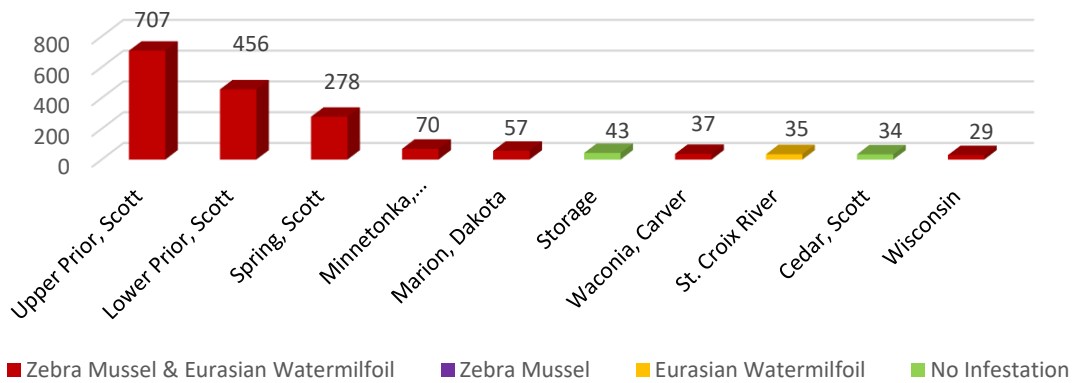


**Figure 9:** Graph (above) reflects the number of inspection surveys completed at specific times of day, and by day of week during the 2023 inspection season.



Of the entering inspections, the waterbody most visited by boaters prior to entering an inspector staffed launch within the Prior Lake-Spring Lake Watershed District was Upper Prior Lake (707) (Figure 10). The other most common responses were Lower Prior Lake (456), Spring (278), Minnetonka (70), and Marion (57). This information can help us understand where new AIS infestations arise from since AIS are often unintentionally transported between bodies of water via watercrafts, trailers, and other water-related equipment. As the graphs show, there is a lot of movement between lakes infested with zebra mussels and Eurasian watermilfoil. Our inspectors do their best to inspect, but also educate the boaters on the importance of not spreading AIS to clean bodies of water such as Cedar Lake in Scott County.

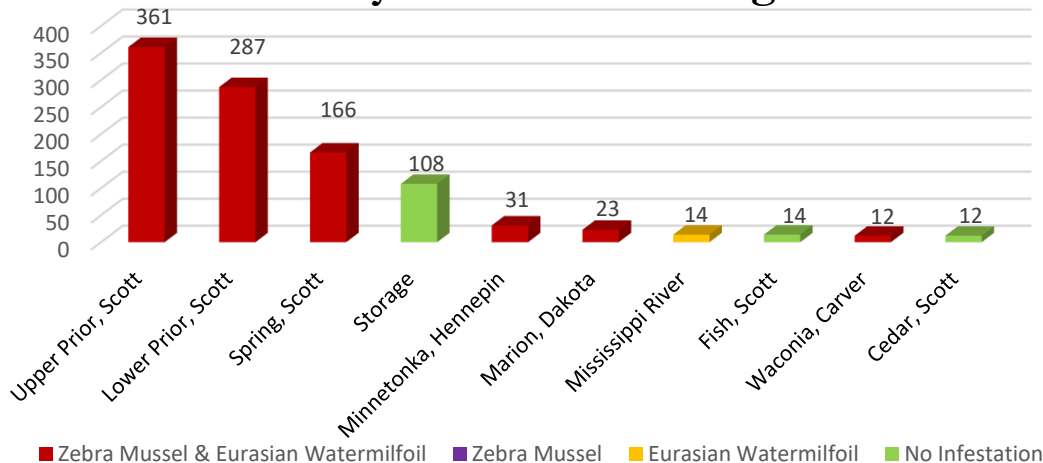
### LAST Body of Water Visited



**Figure 10:** Graph (above) reflects the number of boaters that reported the last lake visited prior to entering another waterbody via one of the Prior Lake-Spring Lake Watershed District staffed launches during the 2023 inspection season. **Note:** “Storage” is a survey response option for boats that are coming out of winter storage for the first time of the season. “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.

Likewise, of the same entering inspections, the boater responses pertaining to which waterbody they would be visiting next, showed that the majority of boaters leaving an inspector staffed launch within the Prior Lake-Spring Lake Watershed District would return to Prior Lake (648 total), Spring (166), Minnetonka (31), or Lake Marion in Dakota County (23) next (Figure 11).

### NEXT Body of Water Planning to Visit



**Figure 11:** Graph (above) reflects the number of boaters that reported the next lake they expected to visit after exiting a Prior Lake-Spring Lake Watershed District inspector staffed launch during the 2023 inspection season. **Note:** “Storage” is a survey response option for boats that are coming off the water for the last time and going into winter storage for the season. “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.

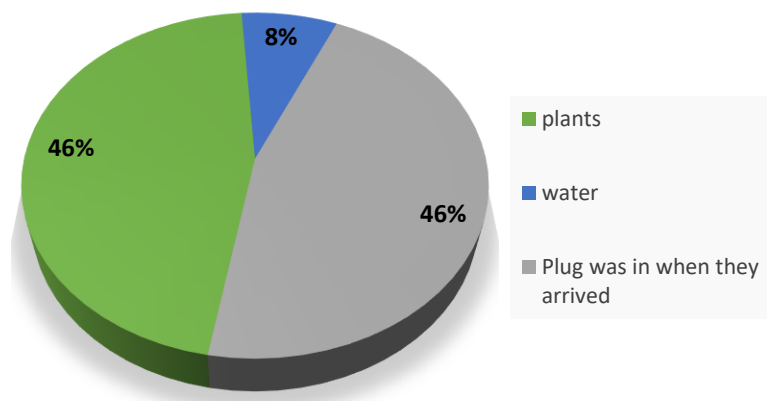
### Inspection Findings, Violations, and Decontaminations

There were 26 entering inspections that were in violation of Minnesota AIS laws (nearly 1% of all entering inspections), of which 12 were drain plug violations. The inspectors were able to direct all of these boaters through fully resolving the AIS issues at the water access, so no launches needed to be denied.

Of 306 (21.6%) exiting watercrafts there was at least one finding on and/or in the watercraft, trailer, or equipment. However, exiting inspection findings are not considered AIS violations since they were caught prior to the boater leaving the launch. Efforts are made to educate these boaters on the risk they pose to transport AIS, and actionable steps they should take to prevent the violations from occurring when an inspector is not present at the launch in the future. Regardless, these findings during exiting inspections provide useful information when determining what could be leaving an infested lake and entering a new lake.

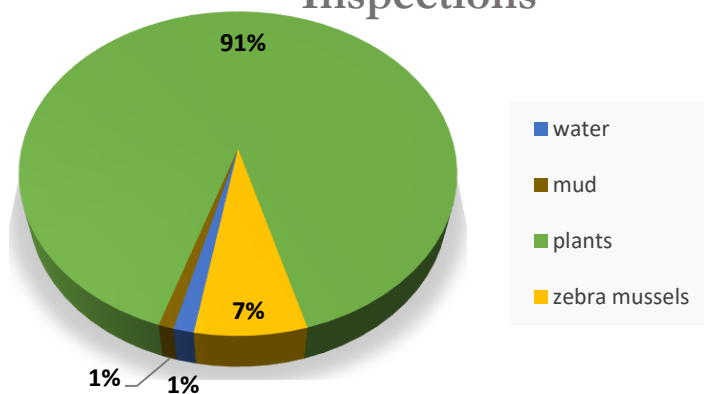
12 (46%) of the entering inspection findings were plants (removeable by hand). There were also 12 (46%) boaters that arrived with the drain plug in, and 8% instances of water found in or on the watercraft and water related equipment. (Figure 12). There were no zebra mussels found on entering inspections!

### Findings During Entering Inspections



**Figure 12:** Chart (above) reflects the distribution of findings during entering inspections during the 2023 inspector season.

### Findings During Exiting Inspections

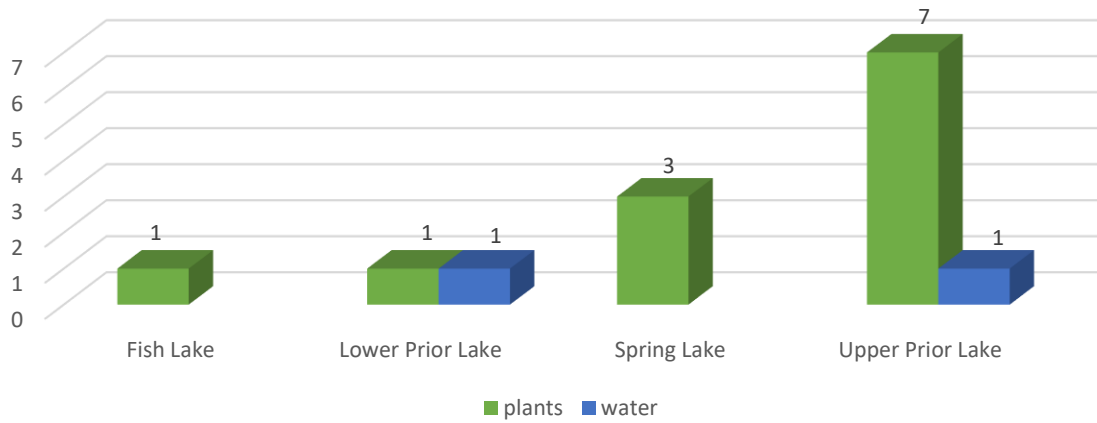


**Figure 13:** Chart (above) reflects the distribution of findings during exiting inspections during the 2023 inspection season. Watercraft requiring decontamination were encouraged to go to a nearby decon station (i.e., DNR staffed decon or Christmas Lake), or to a professional watercraft dealer service for cleaning before entering the next body of water.

The most common finding during exiting inspections were plants at 277 (91%) occurrences (Figure 13). However, there were 22 instances (7%) with zebra mussels. None of the 306 exiting inspections that contained findings were deemed as AIS violations since they were caught and resolved prior to the watercraft leaving the launch.

The data represented in the graph below (Figure 14) shows which launch the entering AIS violations were encountered. These issues were all resolved before the watercraft was allowed to enter the body of water. Drain plug violations are shown in the Figure 48 comparison chart.

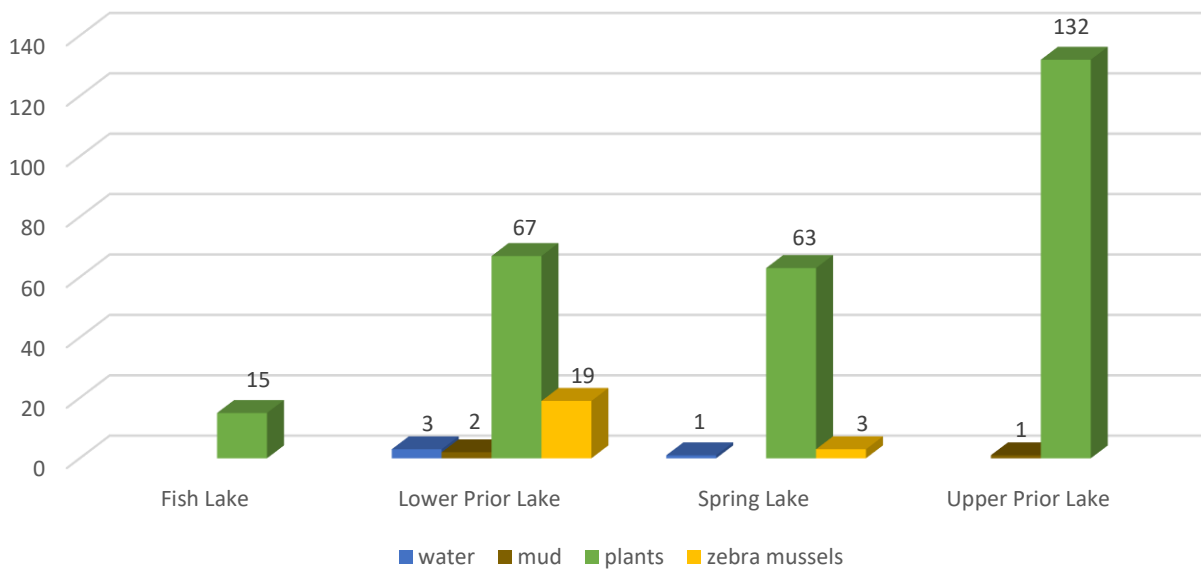
### Entering Violations by Lake



**Figure 14:** Graph (above) reflects the number of findings by lake during entering inspections during the 2023 inspection season.

Looking at potential exiting violations, Upper Prior Lake comes in with the highest number of “plants” at 132 (Figure 15). The second most common lake reporting findings of “plants” was Lower Prior at 67, followed by Spring Lake at 63 occurrences.

### Exiting Violations by Lake

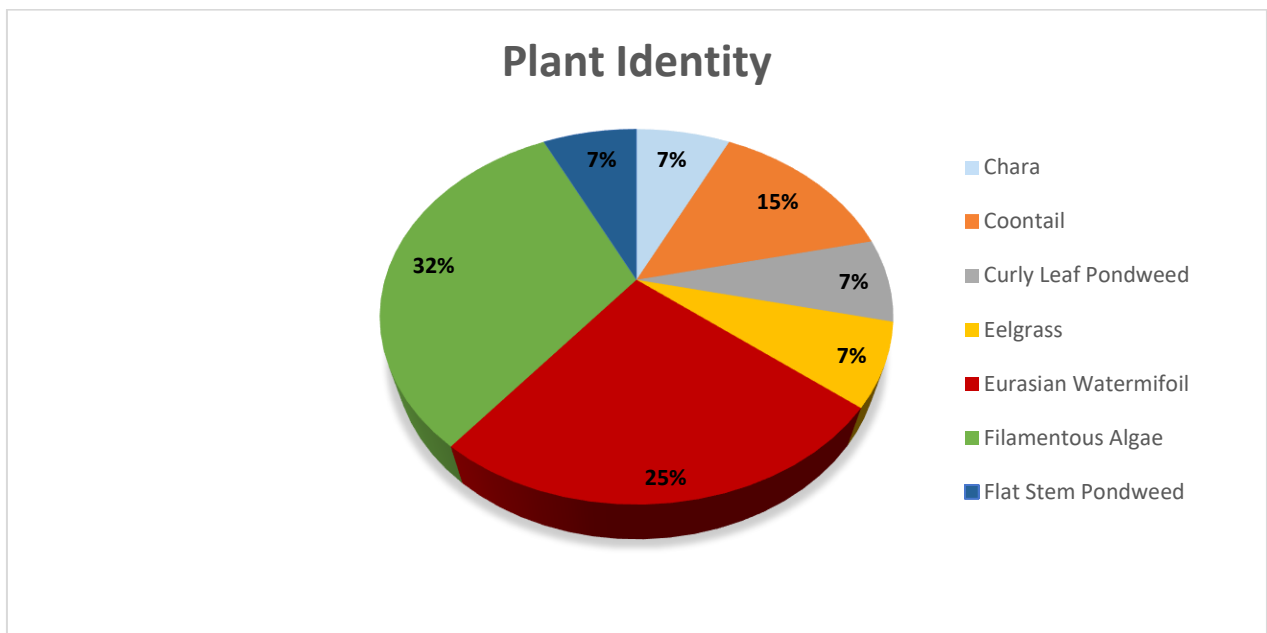
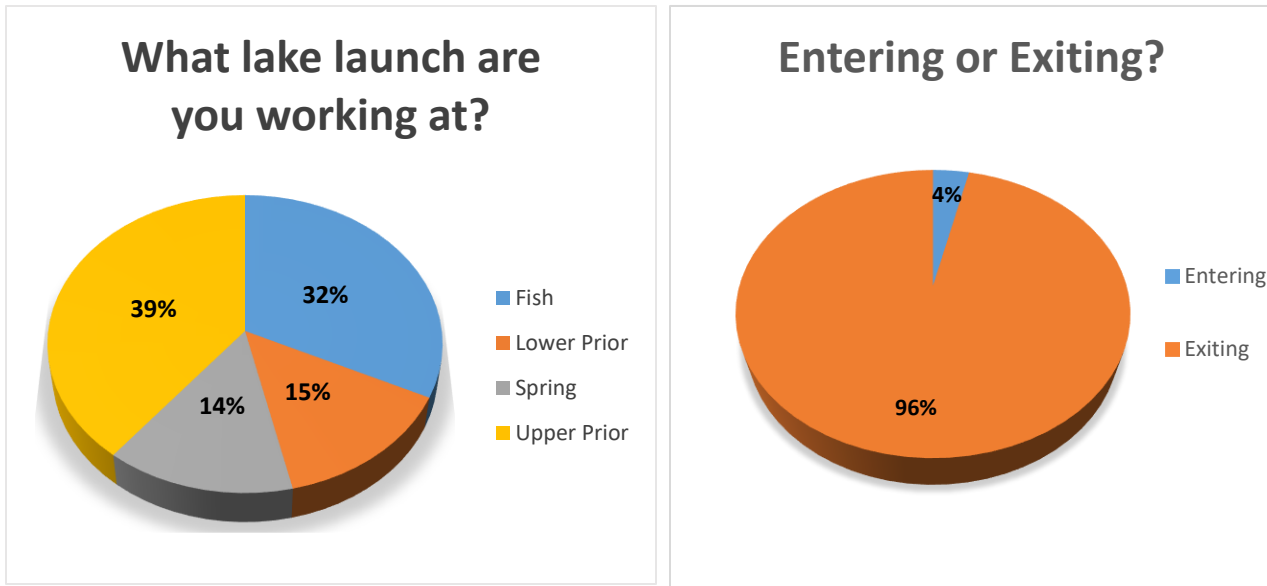


**Figure 15:** Graph (above) reflects the distribution of findings during exiting inspections during the 2023 inspection season. Watercraft requiring decontamination were encouraged to go to a decontamination site (i.e., the DNR staffed location or the Christmas Lake launch), or to a professional watercraft dealer service for cleaning before entering the next body of water.

### Identification of Plants Found

As a method to gather more information on the common findings of plants during watercraft inspections a separate survey was created that inspectors were asked to complete throughout the season. This additional survey included which launch the inspector was working at, if it was an entering or exiting inspection, what their assessment was of species identification, and a photo(s) of the finding. Inspectors completed these additional surveys as possible given the traffic and line-up at the launch. For example, if an inspector found plants removable by hand such as filamentous algae on an exiting inspection, but there were four watercrafts waiting for entering inspections before launching. They would not complete the additional survey, and instead, once completed with the standard inspection survey, go right away to inspect the other watercraft in queue for launching to better serve the public quickly and thoroughly with their inspections.

The charts below are the responses gathered from the additional species identification survey. The survey responses and pictures were also shared with PLSLWD staff throughout the season.





### Examples of Plants Found:

Spring Lake on 7/7/23

Exiting at 2:39pm – suspected CLP, EWM and Flatstem Pondweed caught in a PWC impellor



Spring Lake on 7/7/23

Exiting at 2:50pm – suspected CLP caught on the trailer bunk bracket



Upper Prior Lake on 7/29/23

Exiting at 3:18pm – suspected EWM caught on the axle rung in the center of the trailer



Lower Prior Lake on 8/3/23

Exiting at 1:53pm – single fragment of suspected EWM stuck to the trailer



## Fish Lake

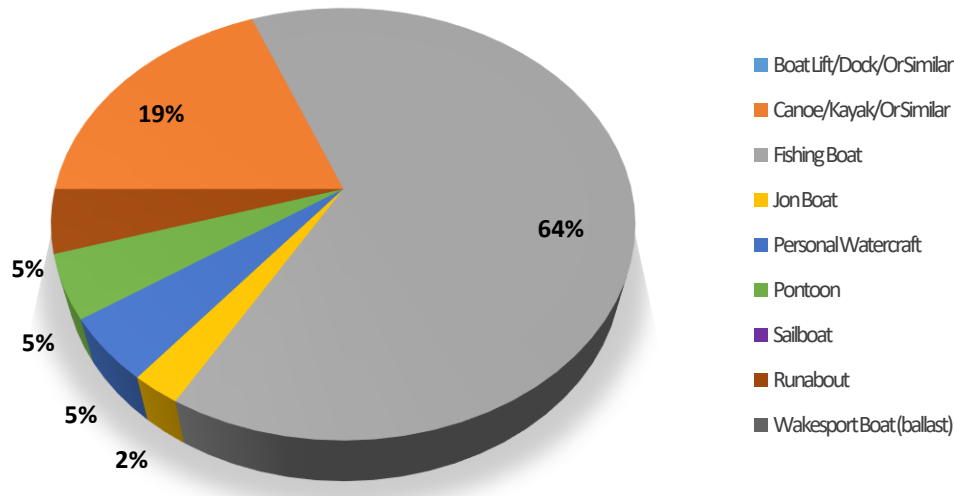
Fish Lake had the lowest count of inspection surveys and the fewest hours of coverage compared to the other three staffed lakes in the Prior Lake-Spring Lake Watershed District. In total, Fish Lake was staffed for 60 hours from July 21<sup>st</sup> through September 30<sup>th</sup> and had 42 inspections completed over this period (Table 2). Fish Lake is considered a lower priority launch due to less traffic. On average 0.7 inspections were completed per hour of staffing at Fish Lake in 2023.

**Table 2:** Fish Lake 2023 Inspection Types

Month	Enter	Exit	Inspection Hours
Jul	7	5	14
Aug	10	13	23
Sep	4	3	22
<b>Total</b>	<b>21</b>	<b>21</b>	<b>60</b>

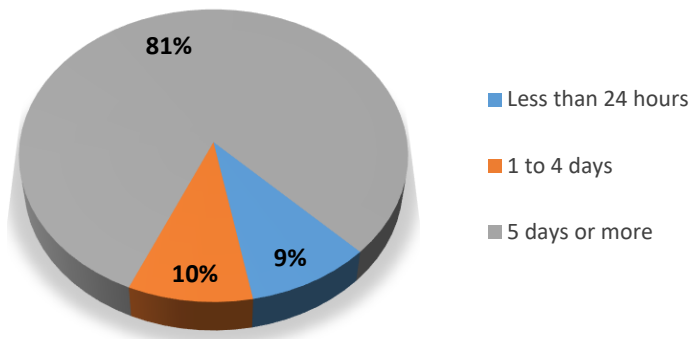
The survey data reveals that 64% of all inspections were conducted on fishing boats, while a canoe/kayak/paddleboard were the second most inspected watercraft at 19% (Figure 16). Pontoons (5%), Runabouts (5%), personal watercrafts (5%) and Jon boat (2%) accounted for the remaining total of inspected watercraft.

### Type of Watercraft



**Figure 16:** Chart (above) reflects the percentage of total inspections conducted on watercraft types at Fish Lake during the 2023 inspection season.

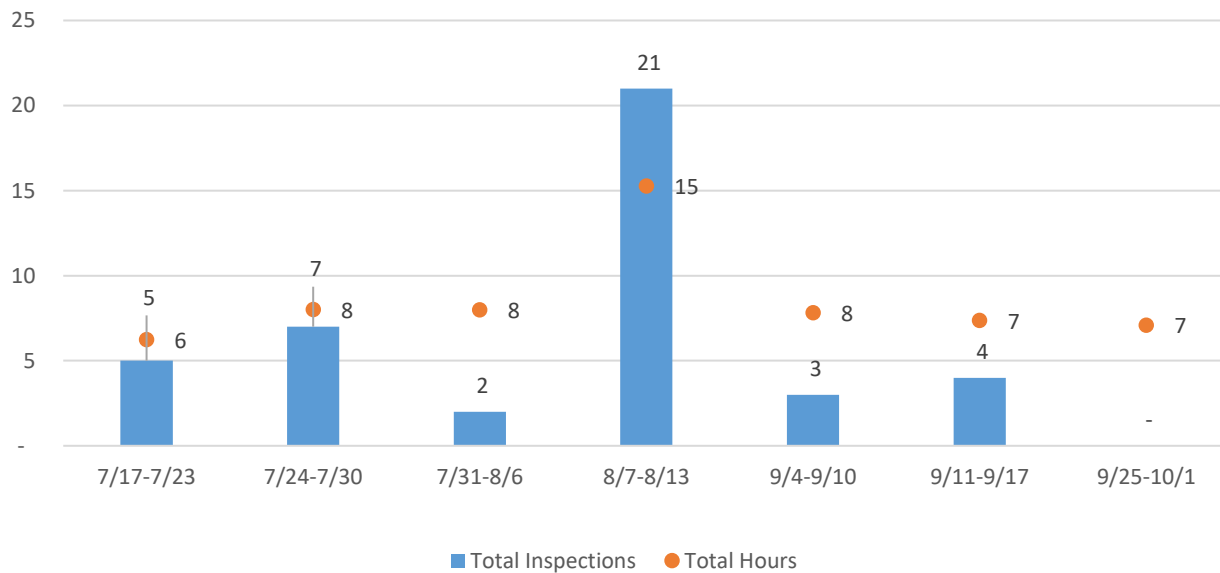
## Time Out of Water



The data also shows that throughout the 2023 inspection season 81% of watercrafts entering had been kept out of water for the recommended 5 days or more, while 10% were reported as only being out for 1-4 days (Figure 17). Another 9% of entering watercrafts were recorded as being out of the water for less than 24 hours.

**Figure 17:** Chart (above) reflects the percent of responses from entering boaters at Fish Lake regarding the amount of time their watercraft had been out of the water prior to entering.

## Inspections by Week

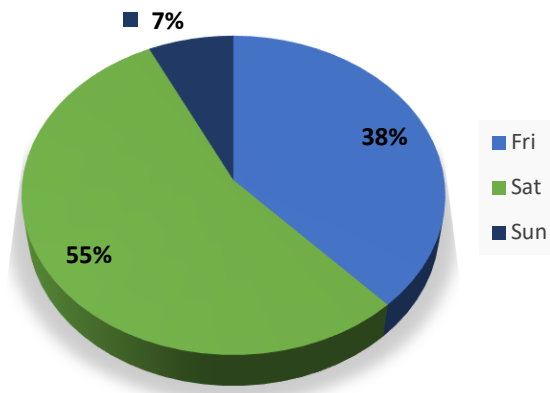


**Figure 18:** Graph (above) reflects the number of inspection surveys and the hours of inspector coverage logged at Fish Lake each week during the 2023 inspection season.

From the survey data we determined that the busiest month for watercraft inspections at Fish Lake was August. Further detail by week can be found in Figure 18, where it shows that the second week of August has the highest count of inspection surveys at 21.

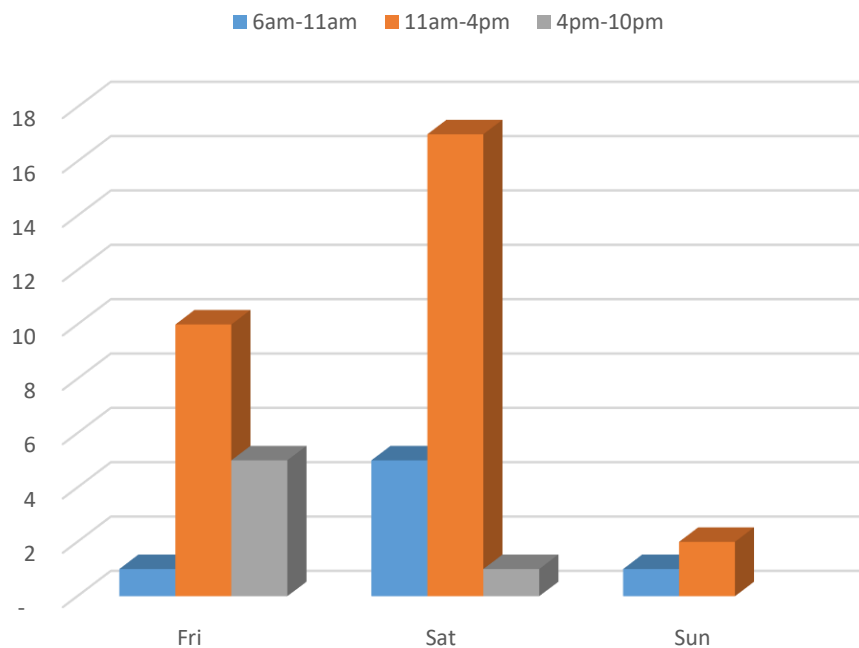
The data also allowed us to determine the busiest days and busiest times of day over the course of the inspection season. It is shown that the busiest days for inspections were Saturdays. (Figure 19).

### Inspections by Weekday



**Figure 19:** Chart (above) reflects the distribution of completed inspection surveys on Fish Lake by day of week during the 2023 inspection season.

### Inspections by Time of Day



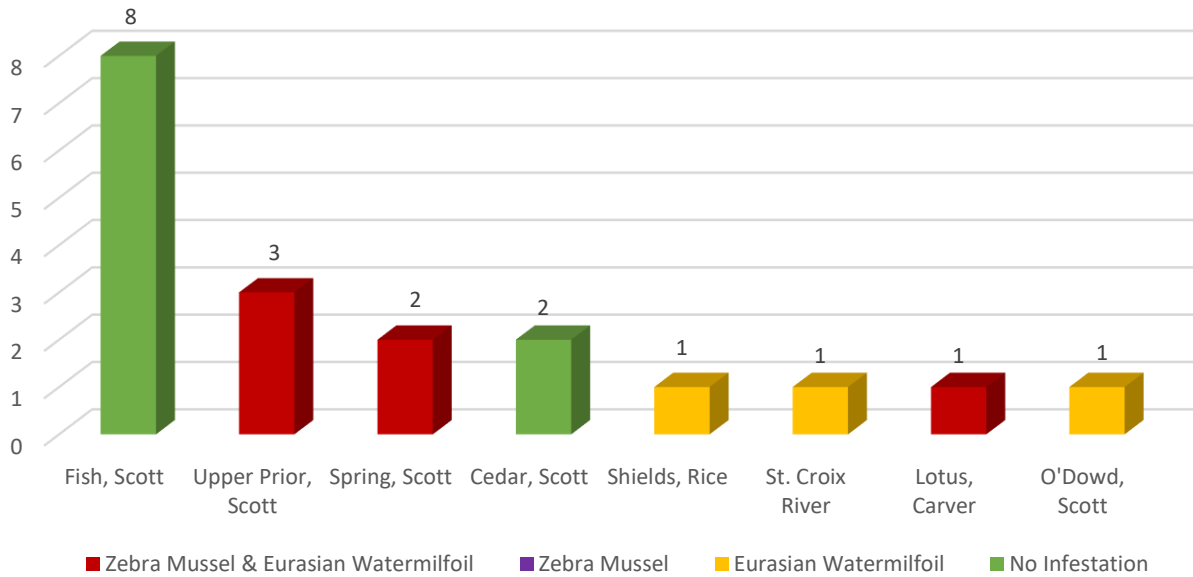
On Fridays, Saturdays, and Sundays alike, the data shows that the busiest time of day for inspections is between 11 A.M. to 4 P.M. (Figure 20).

Shift times were varied in an attempt to be present when boat traffic would be using the launch.

**Figure 20:** Graph (above) reflects the number of inspection surveys reported by the time of day, and day of week at Fish Lake during the 2023 inspection season.



### LAST Body of Water Visited

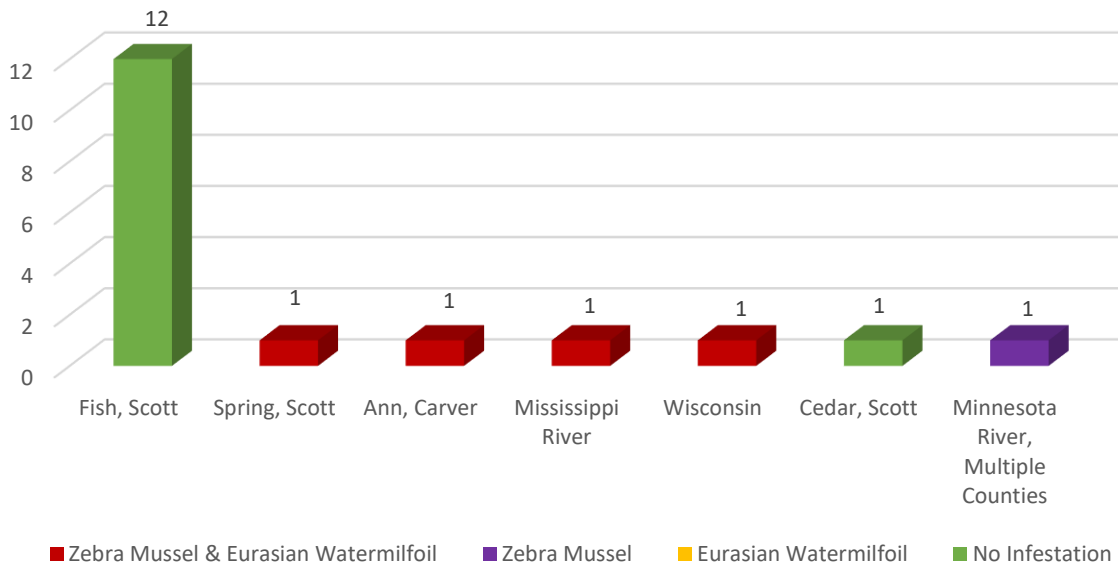


**Figure 21:** Graph (above) reflects the number of boaters that reported the last lake visited prior to entering Fish Lake during the 2023 inspection season. Note: “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.

Of the entering inspections, the waterbody most visited by boaters prior to entering Fish Lake was Fish Lake itself, with 8 boaters reporting last being there (Figure 21).

The boater responses pertaining to which waterbody they would be visiting next, showed that most boaters leaving Fish Lake would head back to Fish Lake (12) (Figure 22).

### NEXT Body of Water Planning to Visit



**Figure 22:** Graph (below) reflects the number of boaters that reported the next lake they expected to visit after Fish Lake during the 2023 inspection season. Note: “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.

## Lower Prior Lake

Lower Prior Lake received 240 hours of inspector coverage from May 20<sup>th</sup> through October 7<sup>th</sup> and had 1,383 entering/exiting inspections completed (Table 3). Inspections were completed on the Lower Prior Lake launch at a rate of 5.8 per hour of coverage.

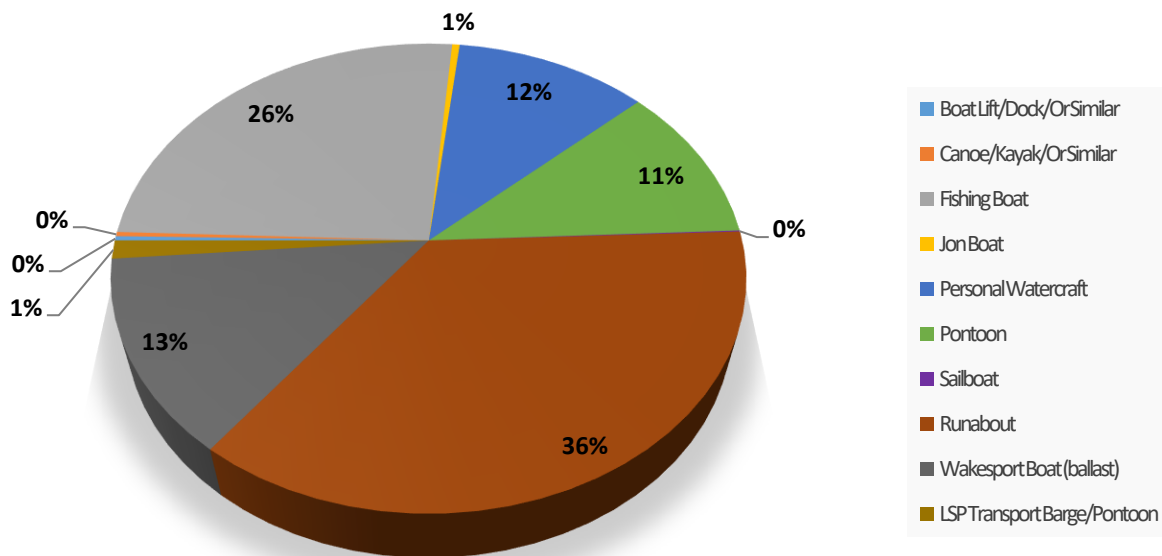
Prior Lake-Spring Lake Watershed District required inspector staffing eight and a half hours a day, Friday to Sunday and holidays. The inspector staffing was strategically scheduled to have inspectors present at the launch during the anticipated busiest times. The Waterfront Restoration staffing also considered when the DNR inspectors were scheduled on-site and were never overlapping in coverage. This was designed to maximize the impact of the Waterfront Restoration AIS program in partnership with the DNRs efforts.

**Table 3:** Lower Prior Lake 2023 Watercraft Inspection Totals

Month	Enter	Exit	Inspection Hours
May	97	20	21
Jun	247	106	51
Jul	214	136	48
Aug	117	65	58
Sep	154	180	45
Oct	26	21	17
<b>Total</b>	<b>855</b>	<b>528</b>	<b>240</b>

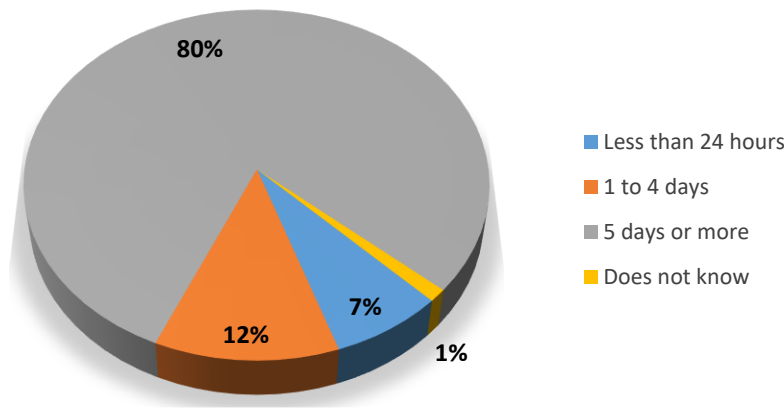
The inspection survey data reveals that more than 36% of all inspections were conducted on runabouts, while fishing boats were the second most inspected watercraft at 26% (Figure 23). Wakesport boats (with ballasts) (13%), Personal Watercraft (12%) and Pontoons (11%) accounted for the bulk of the remaining traffic to the launch.

### Type of Watercraft



**Figure 23:** Chart (above) reflects the percentage of total inspections conducted on watercraft types during the 2023 inspection season.

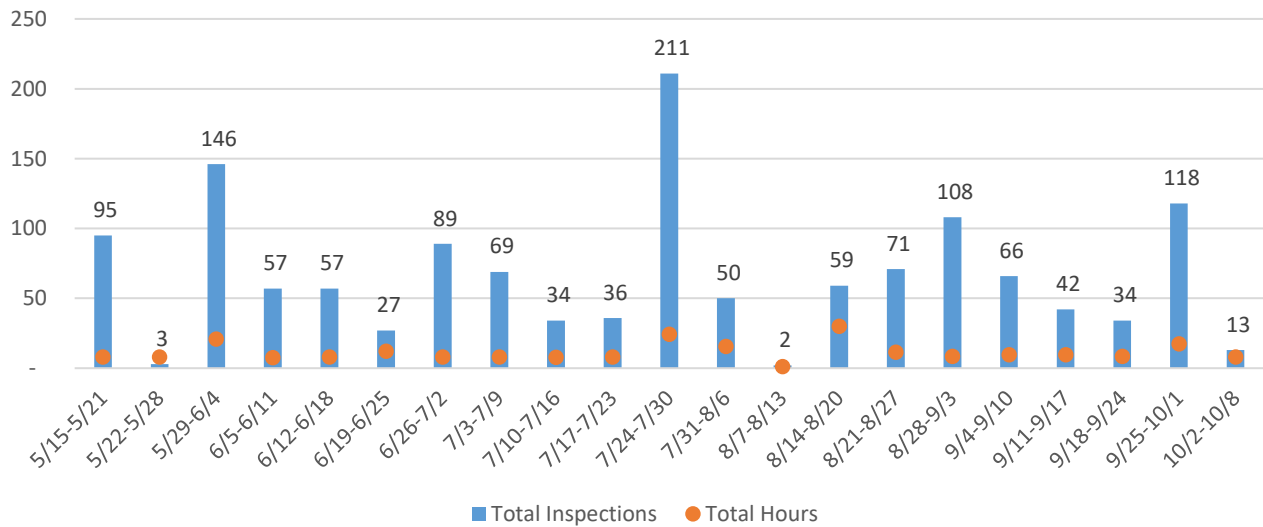
## Time Out of Water



The data also shows that throughout the 2023 inspection season 80% of watercrafts entering had been left out of any body of water for the recommended 5 days or more. This is a high percentage of watercraft out of the water for 5+ days which is long enough for any AIS to completely die before potentially entering a new body of water. Another 12% of boaters were reported as only being out for 1-4 days (Figure 24). However, 7% of entering watercrafts were recorded as being out the water for less than 24 hours. 1% of boaters reported that they did not know how long the watercraft had been out of the water for.

**Figure 24:** Chart (above) reflects the percentage of responses from entering boaters at Lower Prior Lake regarding the amount of time their watercraft had been out of the water prior to entering.

## Inspections by Week

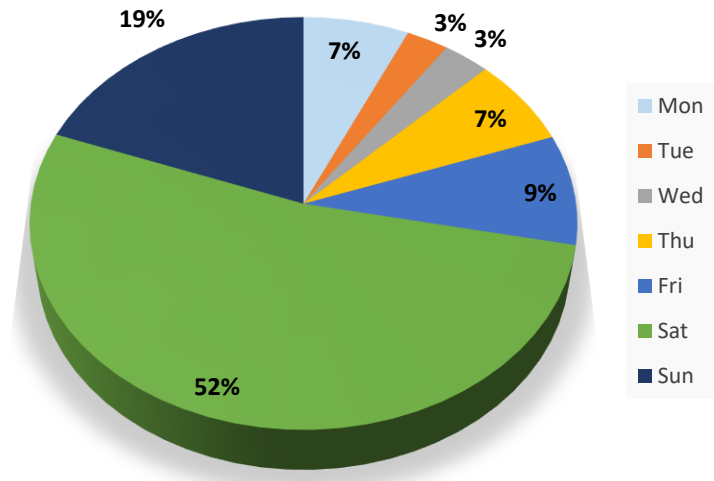


**Figure 25:** Graph (above) reflects the number of inspection surveys and the hours of inspector coverage logged at Lower Prior Lake each week during the 2023 inspection season.

From the survey data we determined that June (357 inspections) and July (350 inspections) were equally busy months for watercraft inspections with a total of 707 completed surveys. September was also a busy month with 334 inspections as boating traffic remained high due to unseasonably warm fall weather. Further detail by week can be found in Figure 25, where it shows that the third week of July had the highest count of inspection surveys at 211 total.

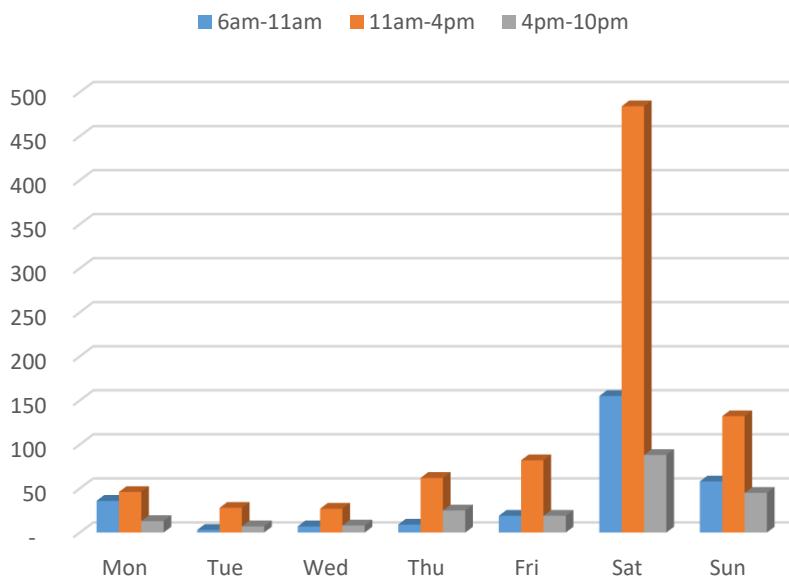
The data also allowed us to determine the busiest days and busiest times of day over the course of the inspection season. It is shown that the busiest days for inspections were Saturdays (728 inspections), followed by Sundays (268 inspections) and Fridays (120 inspections) (Figure 26).

### Inspections by Week Day



**Figure 26:** Chart (above) reflects the distribution of completed inspection surveys on Lower Prior Lake by day of week during the 2023 inspection season.

### Inspections by Time of Day

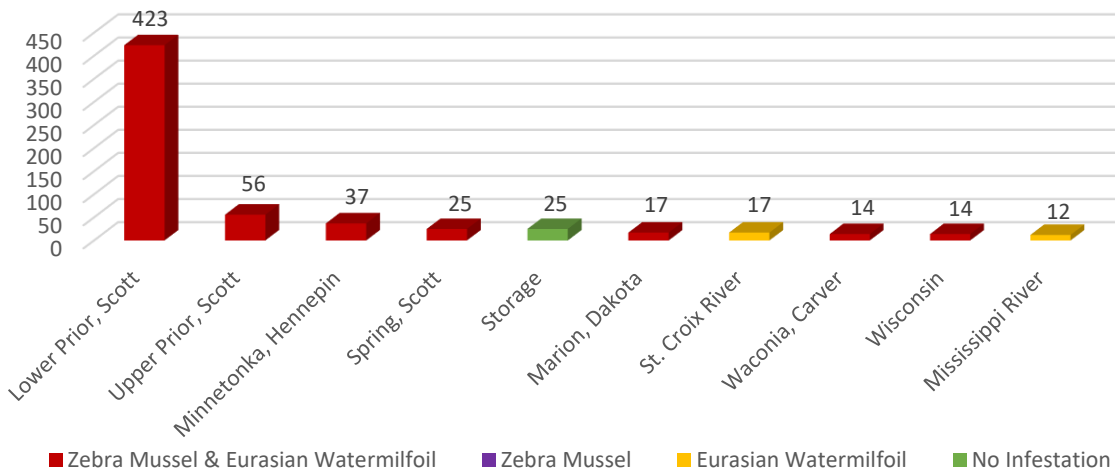


The data shows that the busiest time of day for inspections is between 11AM to 4PM (Figure 27). The second busiest time of day is shown to be from 6AM to 11AM.

**Figure 27:** Graph (above) reflects the number of inspection surveys reported by day of week at Lower Prior Lake during the 2023 inspection season.

Of the entering inspections, the waterbody most visited by boaters prior to entering Lower Prior Lake was Lower Prior Lake itself, with 423 boaters reporting last being there (Figure 28). The other most common responses were Upper Prior (56), Minnetonka (37), Spring (25) and from Storage (25). This information can help us understand where new AIS infestations arise from since AIS are often unintentionally transported between bodies of water via watercrafts, trailers, and other water-related equipment.

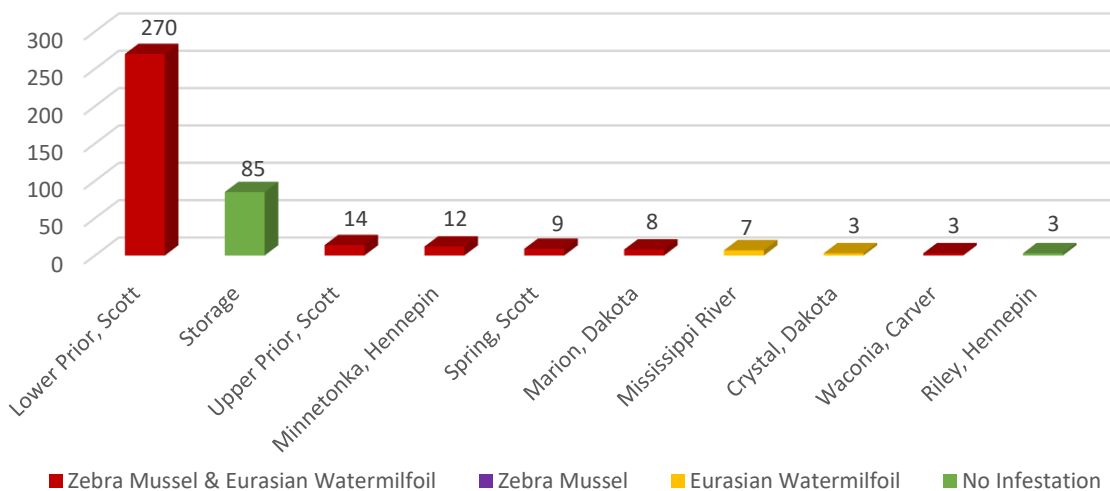
### LAST Body of Water Visited



**Figure 28:** Graph (above) reflects the number of boaters that reported the last lake visited prior to entering Lower Prior Lake during the 2023 inspection season. **Note: “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.**

Likewise, of the same entering inspections, the boater responses pertaining to which waterbody they would be visiting next, showed that most boaters leaving Lower Prior Lake would be heading right back to Lower Prior Lake (270). (Figure 29).

### NEXT Body of Water Planning to Visit



**Figure 29:** Graph (above) reflects the number of boaters that reported the next lake they expected to visit after Lower Prior Lake during the 2023 inspection season. **Note: “No infestation” only means that such lakes are not infested with the mentioned AIS.**

## Upper Prior Lake

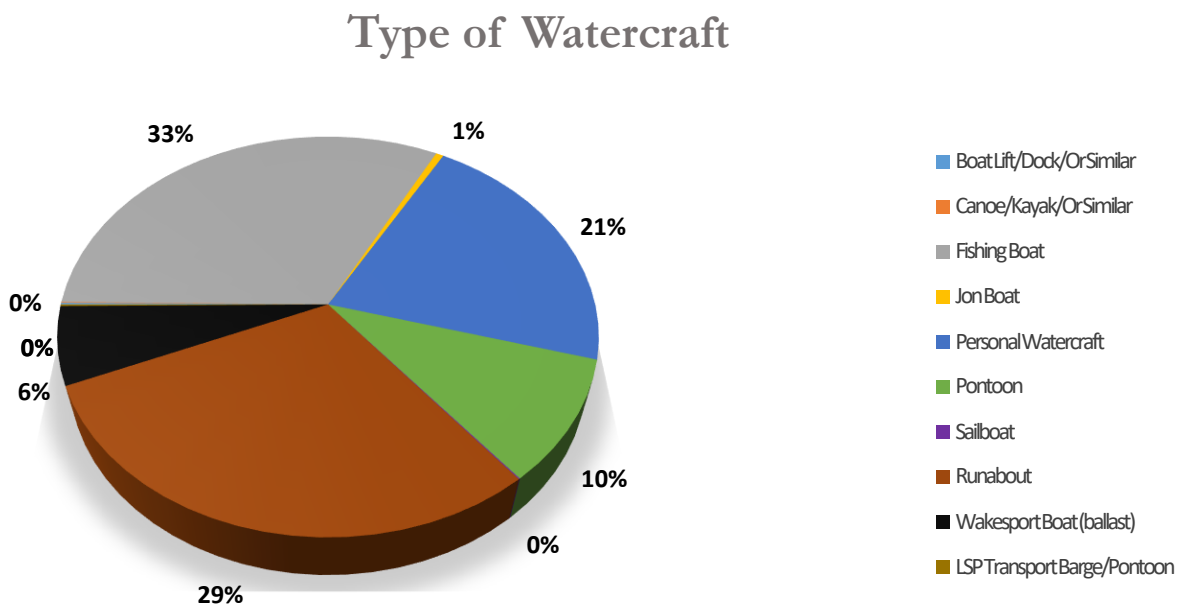
In total, Upper Prior Lake was staffed for 307 hours from May 13<sup>th</sup> through August 12<sup>th</sup> and had 1,507 inspections completed (Table 4). Inspections were completed on the Upper Prior Lake launch at a rate of 4.9 per hour of coverage.

Prior Lake-Spring Lake Watershed District required inspector staffing eight and a half hours a day primarily on weekends and the summer holidays. This schedule was accomplished, and weekend launch coverage was maximized. The staffing was strategically scheduled to have inspectors present at the launch during the anticipated busiest times. The Waterfront Restoration inspector staffing also considered when the DNR inspectors were scheduled on-site and were never overlapping in coverage. This was designed to maximize the impact of the Waterfront Restoration AIS program in partnership with the DNRs efforts.

**Table 4:** Upper Prior Lake 2023 Watercraft Inspection Totals

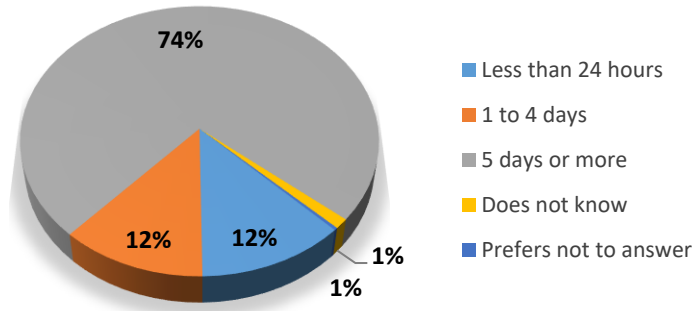
Month	Enter	Exit	Inspection Hours
May	292	109	62
Jun	255	156	101
Jul	367	186	104
Aug	89	53	40
<b>Total</b>	<b>1,003</b>	<b>504</b>	<b>307</b>

The inspection survey data reveals that one third (33%) of all inspections were conducted on fishing boats, while runabouts were the second most inspected watercraft at 29% (Figure 30). Personal watercrafts, pontoons and Wakesport boats (with ballasts) accounted for 21%, 10% and 6% of the total inspections, respectively.



**Figure 30:** Chart (above) reflects the percentage of total inspections conducted on watercraft types during the 2023 inspection season.

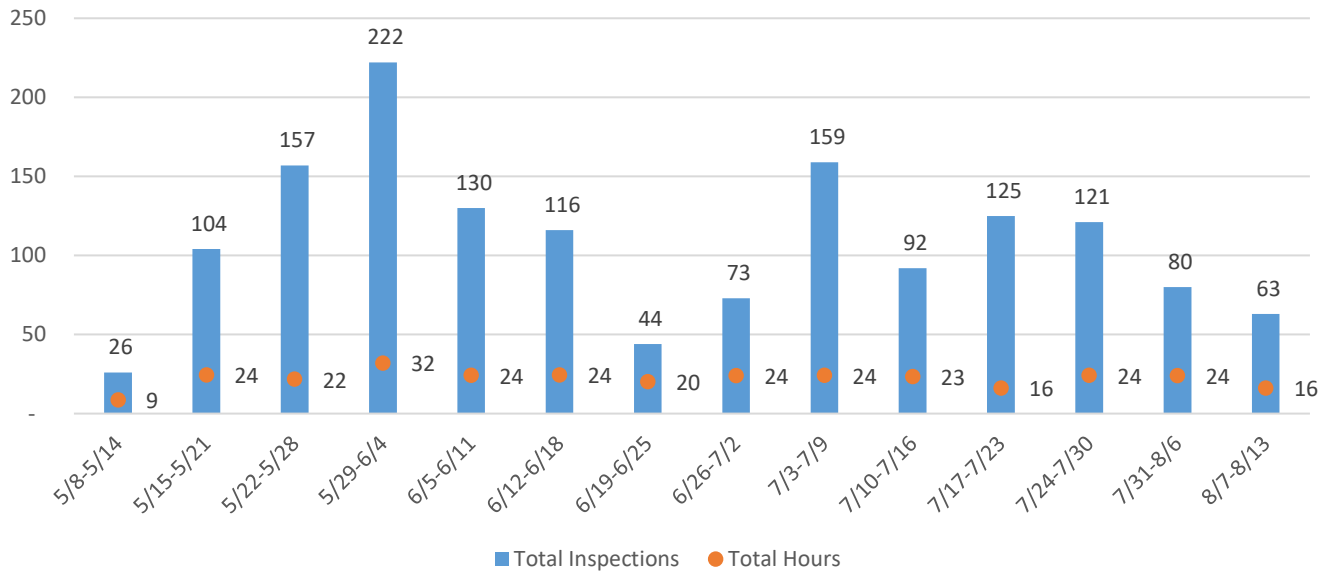
## Time Out of Water



The data also shows that throughout the 2023 inspection season, 74% of watercrafts entering had been kept out of any body of water for the recommended 5 days or more, while 12% were reported as only being out for 1-4 days. However, another 123 (12%) entering watercrafts were recorded as being out the water for less than 24 hours. The remaining 15 (2%) boaters reported that they did not know or preferred not to answer. (Figure 31).

**Figure 31:** Chart (above) reflects the percentage of responses from entering boaters at Upper Prior Lake regarding the amount of time their watercraft had been out of the water prior to entering.

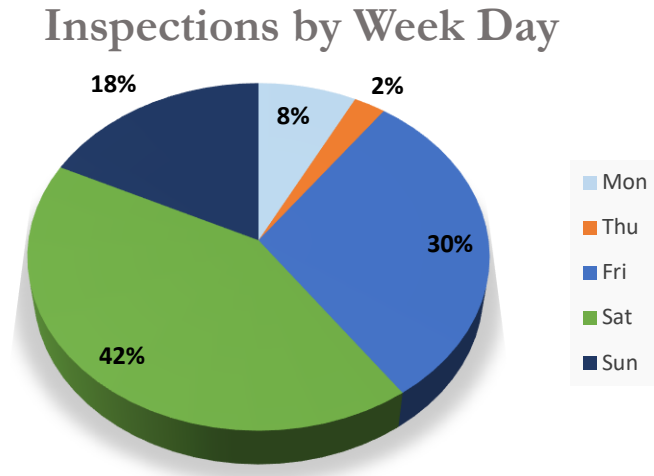
## Inspections by Week



**Figure 32:** Graph (above) reflects the number of inspection surveys and the hours of inspector coverage logged at Upper Prior Lake each week during the 2023 inspection season.

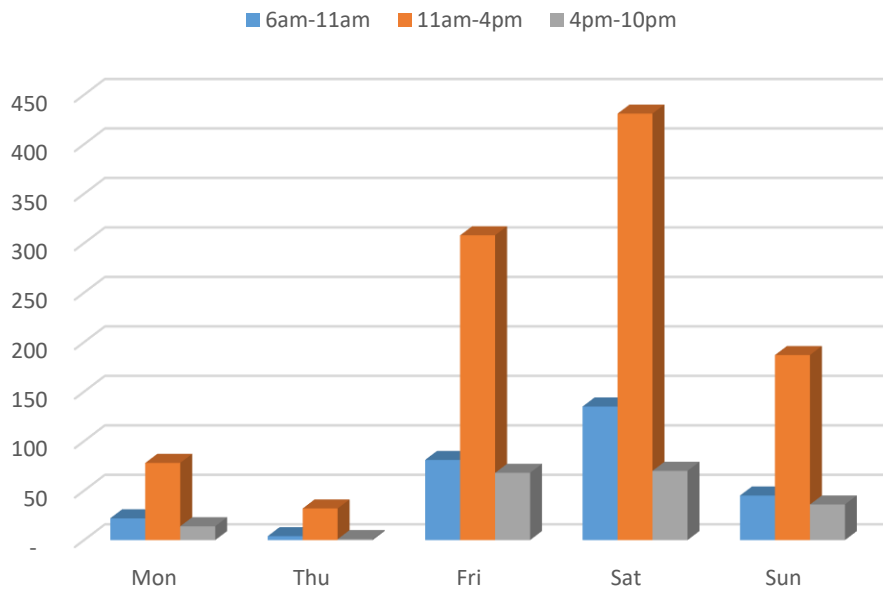
From the survey data we determined that the busiest month for watercraft inspections was July, with 557 completed surveys. June and May followed close by at 411 and 401 surveys, respectively. August has understandably lower inspection counts since coverage hours significantly decreased and it is at the end of the season. Further detail by week can be found in Figure 32, where it shows that the first week of June had the highest count of inspection surveys.

The data also allowed us to determine the busiest days and busiest times of day over the course of the inspection season. It is shown that the busiest days for inspections were Saturdays, followed by Fridays. (Figure 33).



**Figure 33:** Chart (above) reflects the distribution of completed inspection surveys at Upper Prior Lake by day of week during the 2023 inspection season.

### Inspections by Time of Day



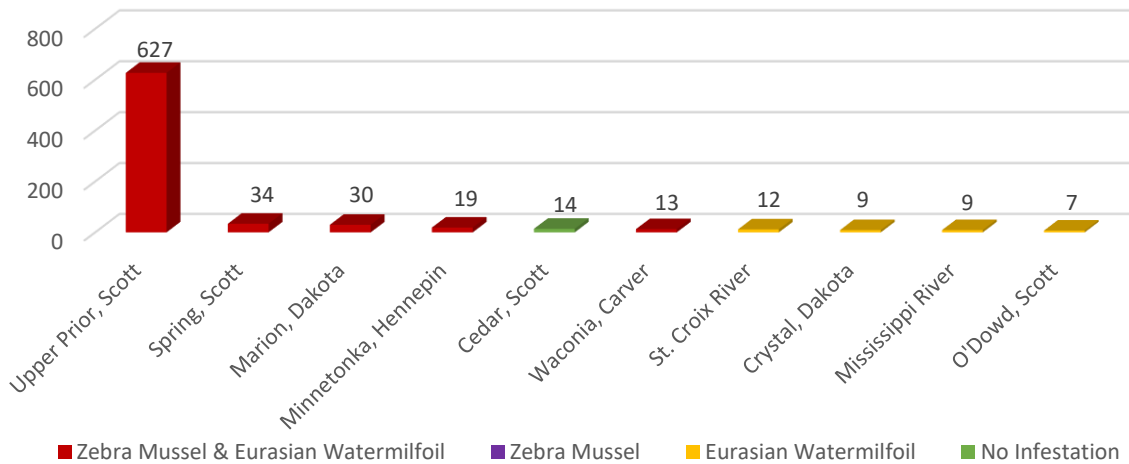
On Mondays, Thursdays, Fridays, Saturdays, and Sundays alike, the data shows that the busiest time of day for inspections is between 11 A.M. to 4 P.M. (Figure 34). The second busiest time of day is shown to be from 6 A.M. to 11 A.M.

**Figure 34:** Graph (above) reflects the number of inspection surveys reported by day of week at Upper Prior Lake during the 2023 inspection season.



Of the entering inspections, the waterbody most visited by boaters prior to entering Upper Prior Lake was Upper Prior Lake itself, with 627 boaters reporting last being there (Figure 35). The other most common responses were Spring Lake (34) and Marion (30). This boater traffic and lake specific AIS knowledge can help us understand where new AIS infestations arise from since AIS are often unintentionally transported between bodies of water via watercrafts, trailers, and other water-related equipment.

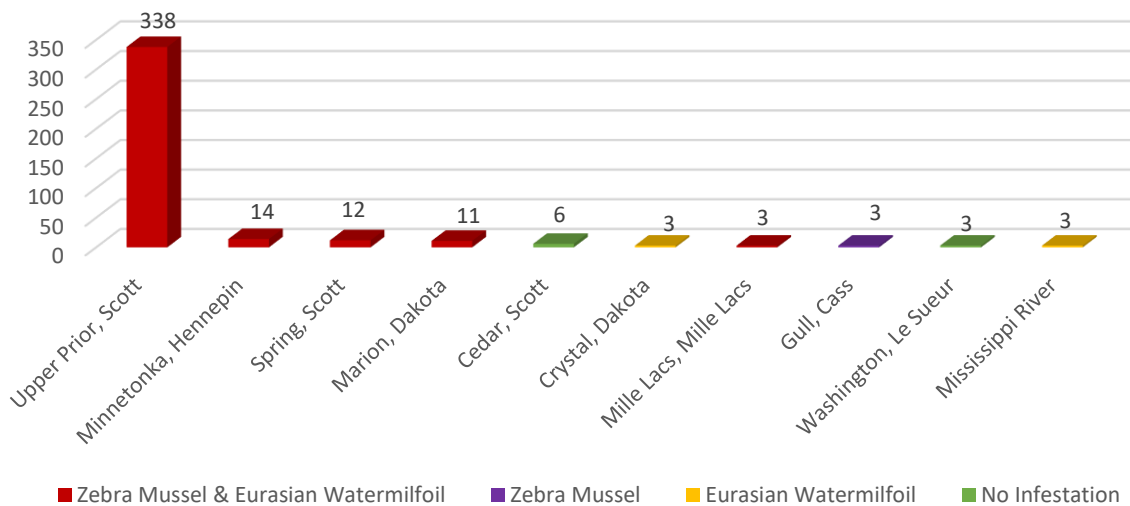
### LAST Body of Water Visited



**Figure 35:** Graph (above) reflects the number of boaters that reported the last lake visited prior to entering Upper Prior Lake during the 2023 inspection season.

Likewise, of the same entering inspections, the boater responses pertaining to which waterbody they would be visiting next, showed that most boaters leaving Upper Prior Lake would be going back to Upper Prior Lake (338) (Figure 36).

### NEXT Body of Water Planning to Visit



**Figure 36:** Graph (above) reflects the number of boaters that reported the next lake they expected to visit after Upper Prior Lake during the 2023 inspection season. **Note: “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.**

## Spring Lake

In total, Spring Lake was staffed for 404 hours from May 13<sup>th</sup> through September 30<sup>th</sup> and had 915 entering and exiting inspections completed (Table 5). Inspections were completed on the Spring Lake launch at a rate of 2.3 per hour of coverage.

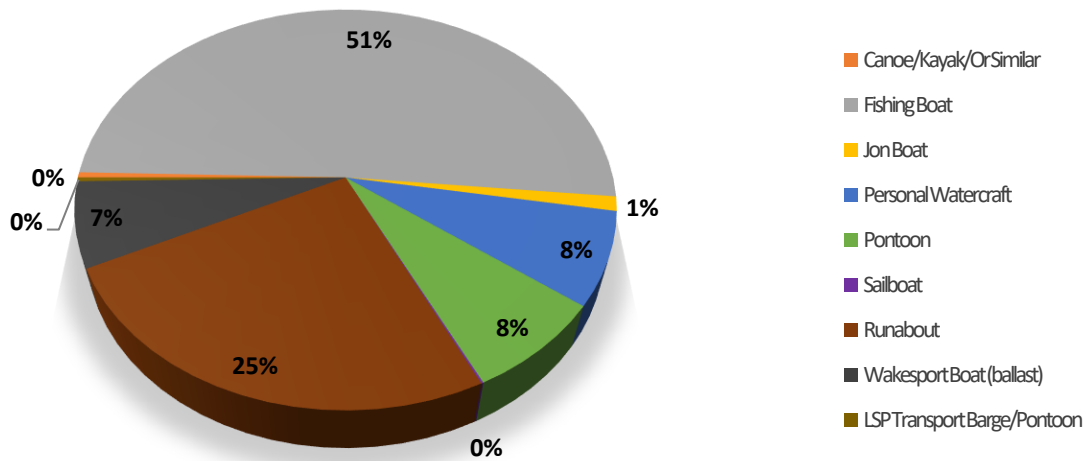
Prior Lake-Spring Lake Watershed District required inspector staffing eight and a half hours a day on Fridays, Saturdays, Sundays, and the summer holidays. This schedule was accomplished, and weekend launch coverage at peak traffic times was achieved. The DNR did not provide any additional inspector coverage at Spring Lake.

**Table 5:** Upper Prior Lake 2023 Watercraft Inspection Totals

Month	Enter	Exit	Inspection Hours
May	152	72	61
Jun	164	74	91
Jul	122	83	112
Aug	59	49	66
Sep	58	82	75
<b>Total</b>	<b>555</b>	<b>360</b>	<b>404</b>

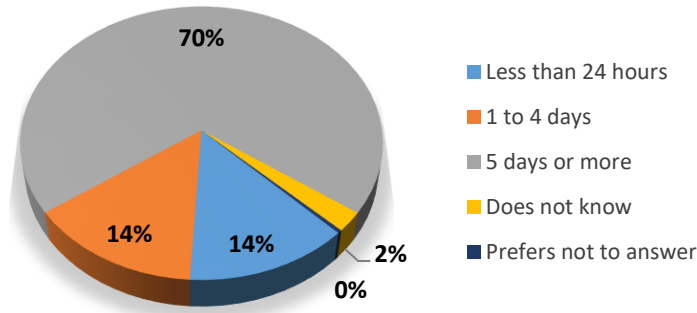
The inspection survey data reveals that more than half (51%) of all inspections were conducted on fishing boats, while runabouts were the second most inspected watercraft at 25% (Figure 37). Pontoons and personal watercrafts both accounted for 8% of the total inspections. The rest of the inspections were conducted on Jon boats, canoes/kayaks/or similar, Wakesport boats (with ballasts) and sailboats (1%).

### Type of Watercraft



**Figure 37:** Chart (above) reflects the percentage of total inspections conducted on watercraft types during the 2023 inspection season.

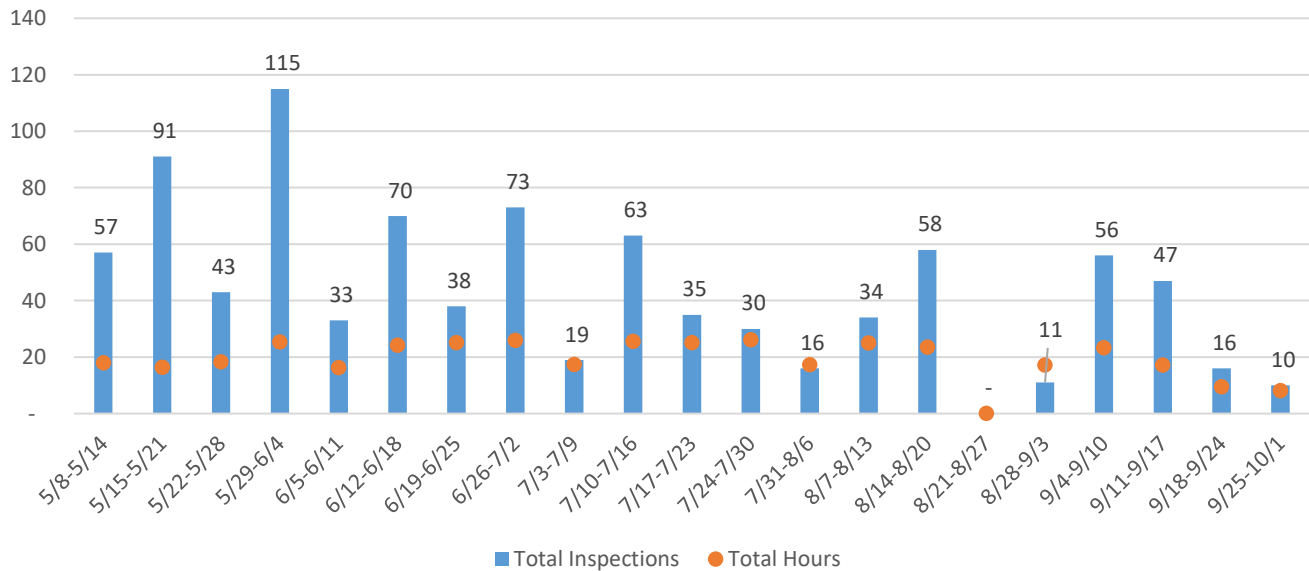
## Time Out of Water



The data also shows that throughout the 2023 inspection season 70% of watercrafts entering had been kept out of any body of water for the recommended 5 days or more, while 14% were reported as only being out for 1-4 days. However, another 74 (14%) entering watercrafts were recorded as being out the water for less than 24 hours. The remaining 2% of boaters reported that they did not know or preferred not to answer. (Figure 38).

**Figure 38:** Chart (above) reflects the percentage of responses from entering boaters at Spring Lake regarding the amount of time their watercraft had been out of the water prior to entering.

## Inspections by Week

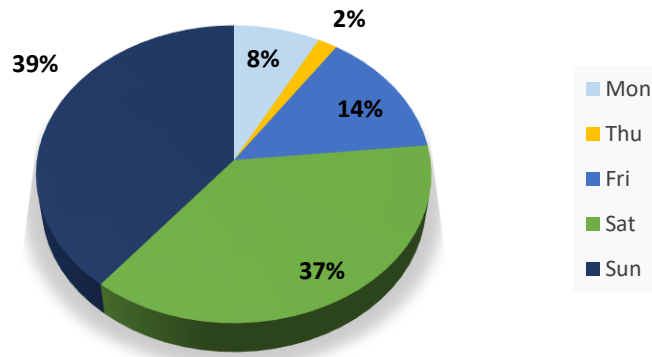


**Figure 39:** Graph (above) reflects the number of inspection surveys and the hours of inspector coverage logged at Spring Lake each week during the 2023 inspection season.

From the survey data we determined that the busiest month for watercraft inspections was June, with 238 completed surveys. May followed close by at 224 surveys logged. August and September have understandably lower inspection counts since coverage hours significantly decreased and it is at the end of the season. Further detail by week can be found in Figure 39, where it shows that the first week of June had the highest counts of inspection surveys.

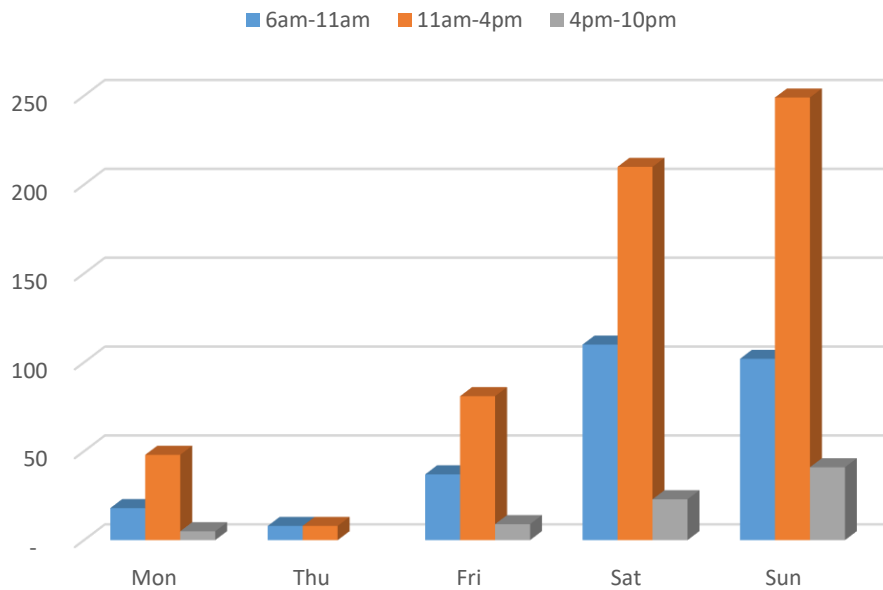
The data also allowed us to determine the busiest days and busiest times of day over the course of the inspection season. It is shown that the busiest days for inspections were Sundays (359 inspections), followed by Saturdays (342 inspections) and Fridays (127 inspections). (Figure 40).

### Inspections by Week Day



**Figure 40:** Chart (above) reflects the distribution of completed inspection surveys at Spring Lake by day of week during the 2023 inspection season.

### Inspections by Time of Day

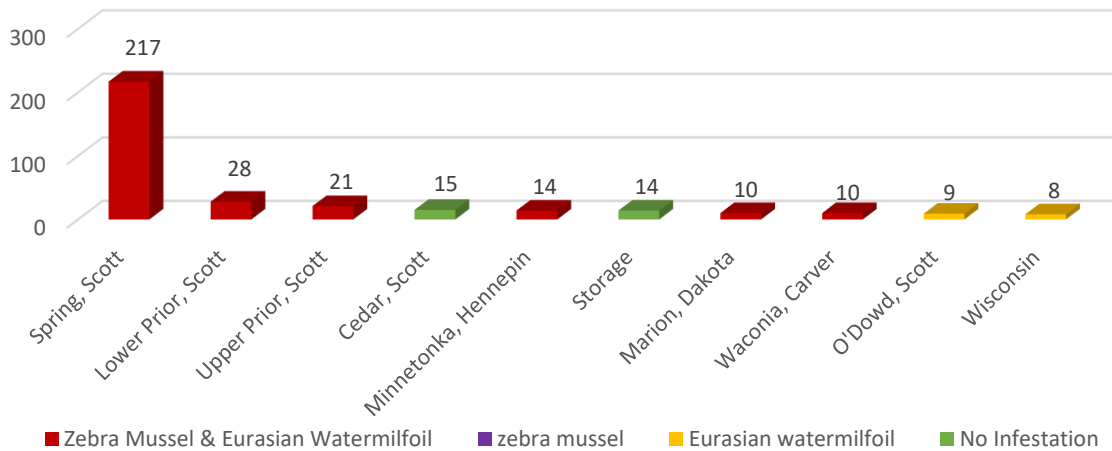


On Mondays, Fridays, Saturdays, and Sundays alike, the data shows that the busiest time of day for inspections is between 11 A.M. to 4 P.M. (Figure 41). The second busiest time of day is shown to be from 6 A.M. to 11 A.M.

**Figure 41:** Graph (above) reflects the number of inspection surveys reported by day of week at Spring Lake during the 2023 inspection season.

Of the entering inspections, the waterbody most visited by boaters prior to entering Spring Lake was Spring Lake itself, with 217 boaters reporting last being there (Figure 42). The other most common responses were Lower Prior (28) and Upper Prior (21). This boater traffic and lake specific AIS knowledge can help us understand where new AIS infestations arise from since AIS are often unintentionally transported between bodies of water via watercrafts, trailers, and other water-related equipment.

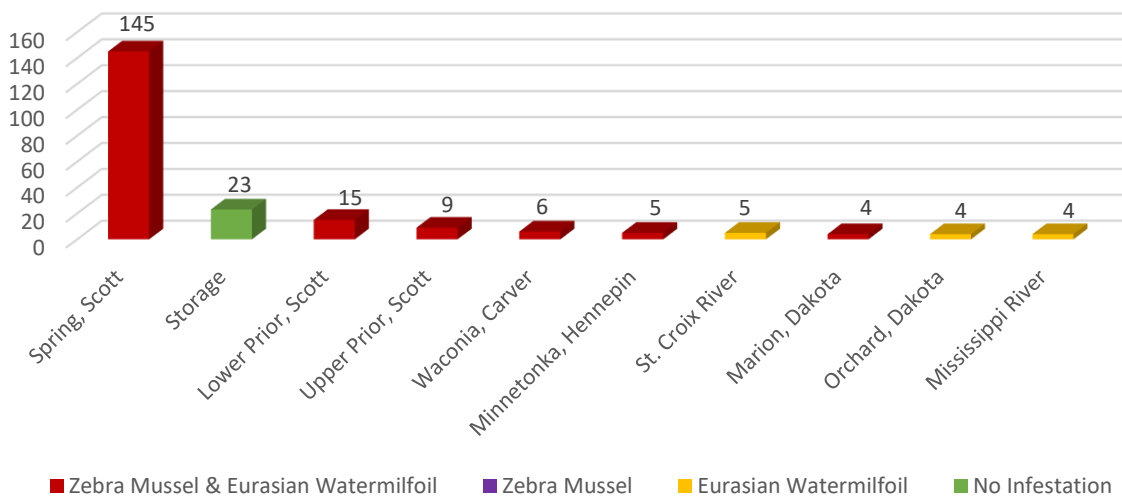
### LAST Body of Water Visited



**Figure 42:** Graph (above) reflects the number of boaters that reported the last lake visited prior to entering Spring Lake during the 2023 inspection season.

Likewise, of the same entering inspections, the boater responses pertaining to which waterbody they would be visiting next, showed that most boaters leaving Spring Lake would be going back to Spring Lake (145) (Figure 43).

### NEXT Body of Water Planning to Visit



**Figure 43:** Graph (above) reflects the number of boaters that reported the next lake they expected to visit after Spring Lake during the 2023 inspection season. **Note: “No infestation” only means that such lakes are not infested with the mentioned AIS. Graph only shows the top ten responses.**

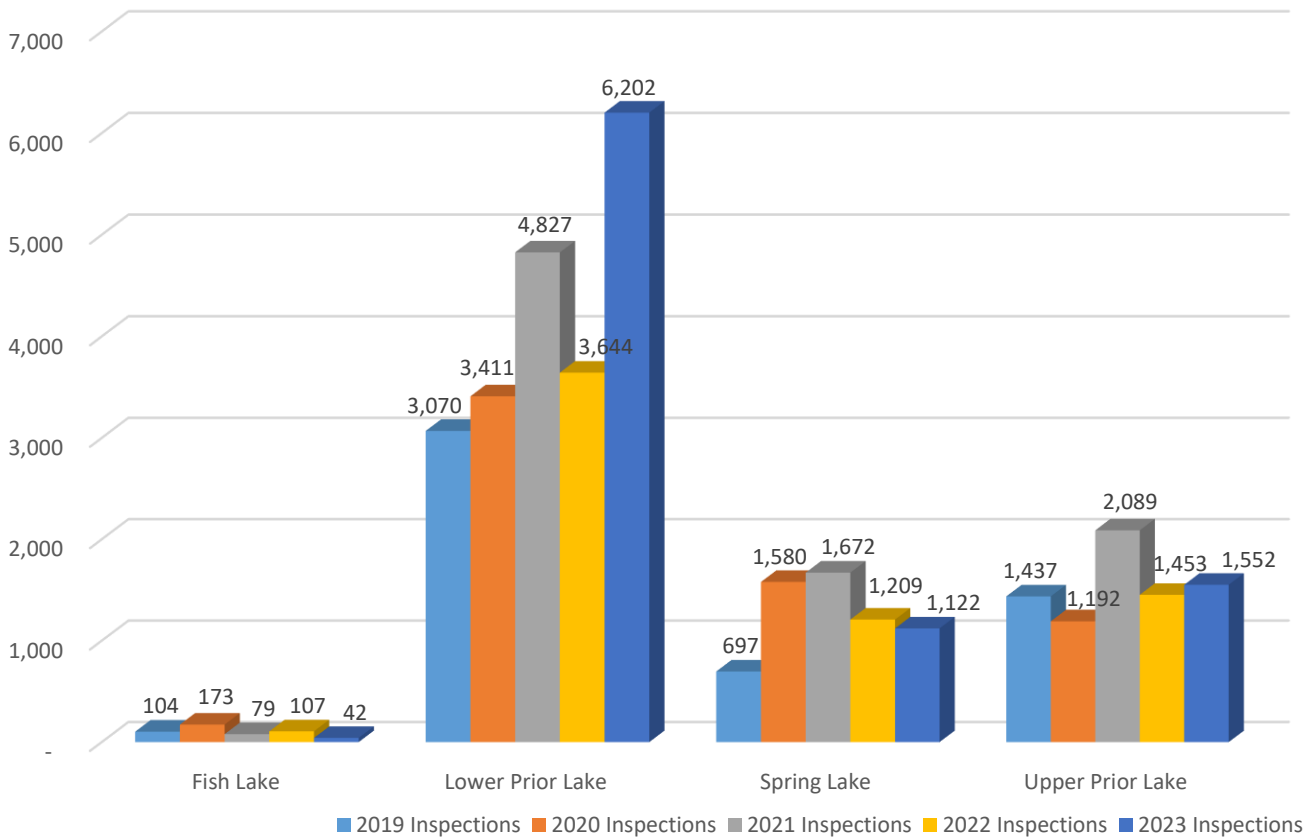
## Trends

The following graphs were created using the data gathered from the 2023 watercraft inspection program administered by Waterfront Restoration. To show a true year over year comparison the MN DNR inspector staff surveys are included in the 2019, 2020, 2021, 2022, and 2023 total counts below. Note regarding the inspector coverage hours; Waterfront Restoration staffed the 2019, 2021, 2022 and 2023 hours at Spring Lake. Staffing hours in 2020 were shared for this report by PLSLWD staff.

Using the watercraft inspections survey data, the following graphs were created to analyze boater and AIS trends from season to season within the inspections program. The knowledge gathered from the provided information can then be used by Prior Lake-Spring Lake Watershed District to adjust and improve the inspection program as desired.

The volume of watercraft traffic on Lower Prior Lake increased significantly in 2023 while Upper Prior Lake and Spring Lake remained almost the same compared to last year. The volume of traffic on Fish Lake decreased in 2023 (Figure 44). Lower Prior Lake remains by far the busiest lake.

### Survey Totals and Staffing Hours



Total inspections by year (all launches, all inspectors):

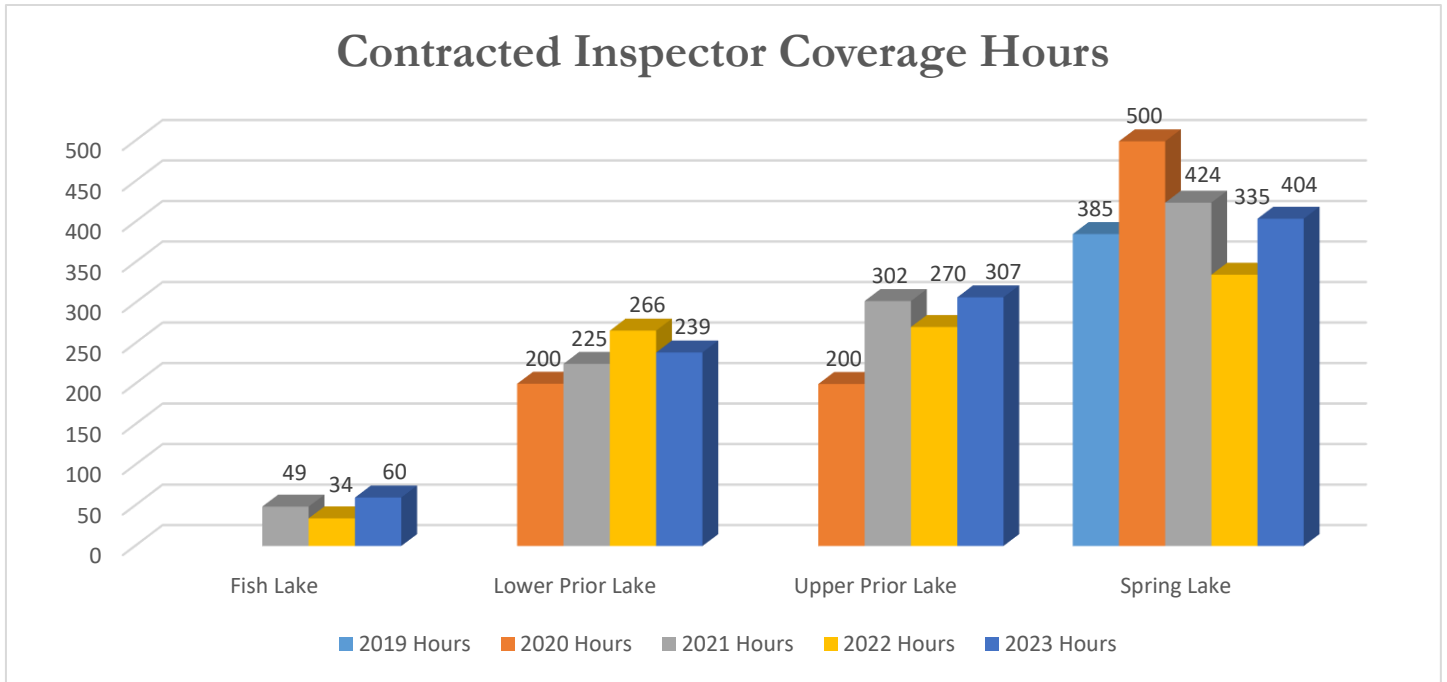
2019 – 5,308

2020 – 6,356 – increase of 19%

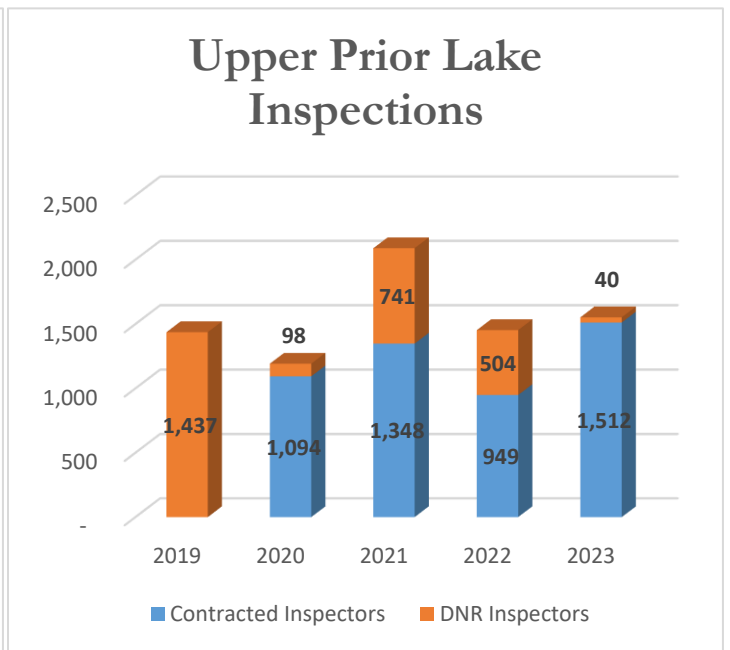
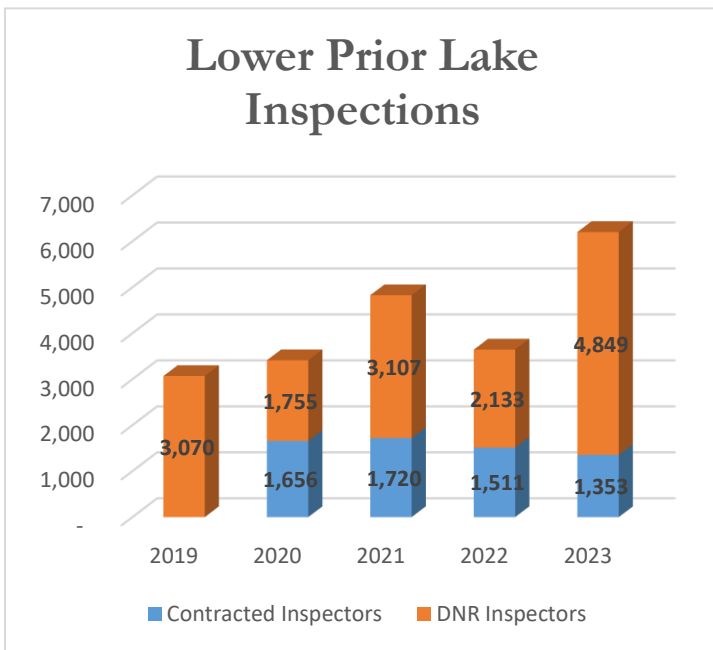
2021 – 8,667 – increase of 36%

2022 – 6,413 – decrease of 26%

2023 – 8,918 – increase of 39%

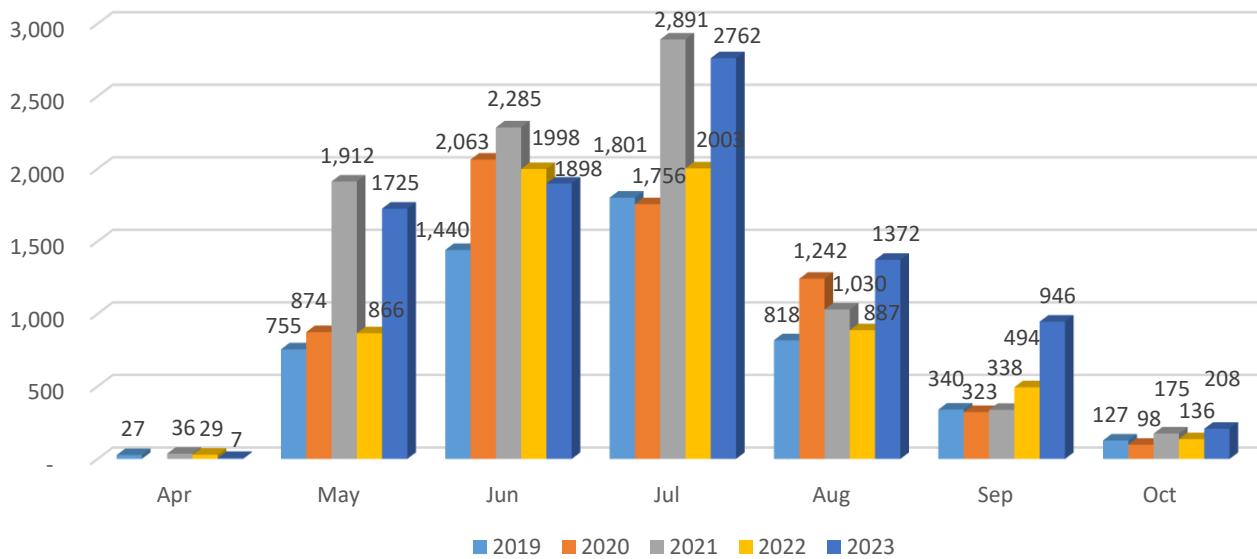


**Figure 44:** Graphs (above) show the comparison of inspection surveys completed (both contracted inspectors and DNR inspectors) and inspection hours (contracted inspectors only) at each lake in 2019 through 2023 seasons.



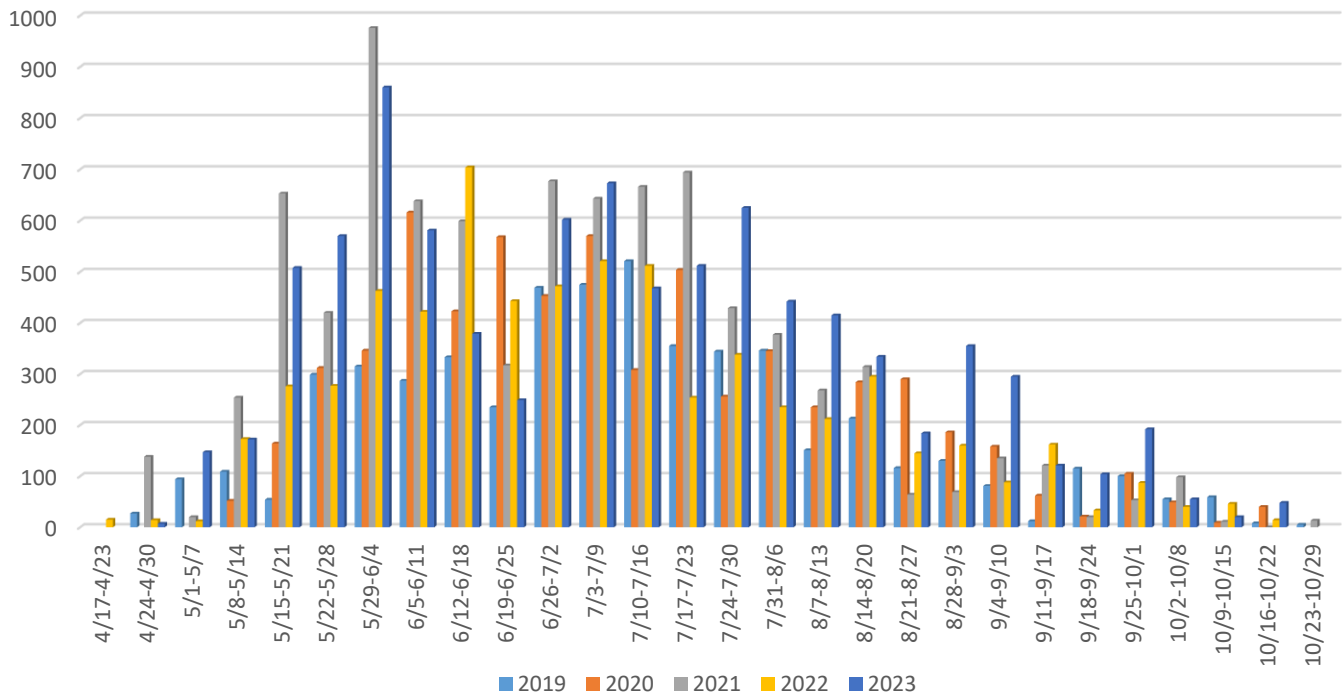
**Figure 45:** Graphs (above) show the comparison of inspection surveys completed for contracted inspectors and DNR inspectors at Lower Prior Lake and Upper Prior Lake in 2019 through 2023 seasons.

## Inspections by Month 2019 - 2023 Seasons



**Figure 46:** Graph (above) shows the comparison of inspection surveys completed by month in 2019 through 2023.

## Inspections by Week 2019 - 2023 Seasons

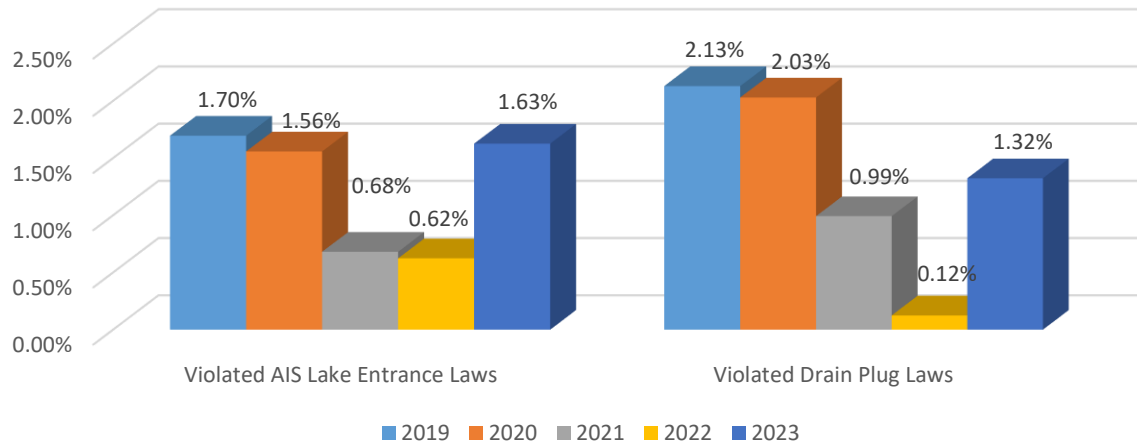


**Figure 47:** Graph (above) shows the comparison of inspection surveys completed by week in 2019 through 2023.



Entering watercraft that arrive at a lake access with their drain-plug in and/or arrive with aquatic plants, water, or mud in or on their watercraft are in violation of MN AIS law. Figure 48 shows the number of these cases reported over the last four years as a percentage of all inspections completed. In 2023, MN AIS law violations increased to a rate of 1.63%. Notably, the drain plugs violations increased significantly to a rate of 1.32% of all inspections.

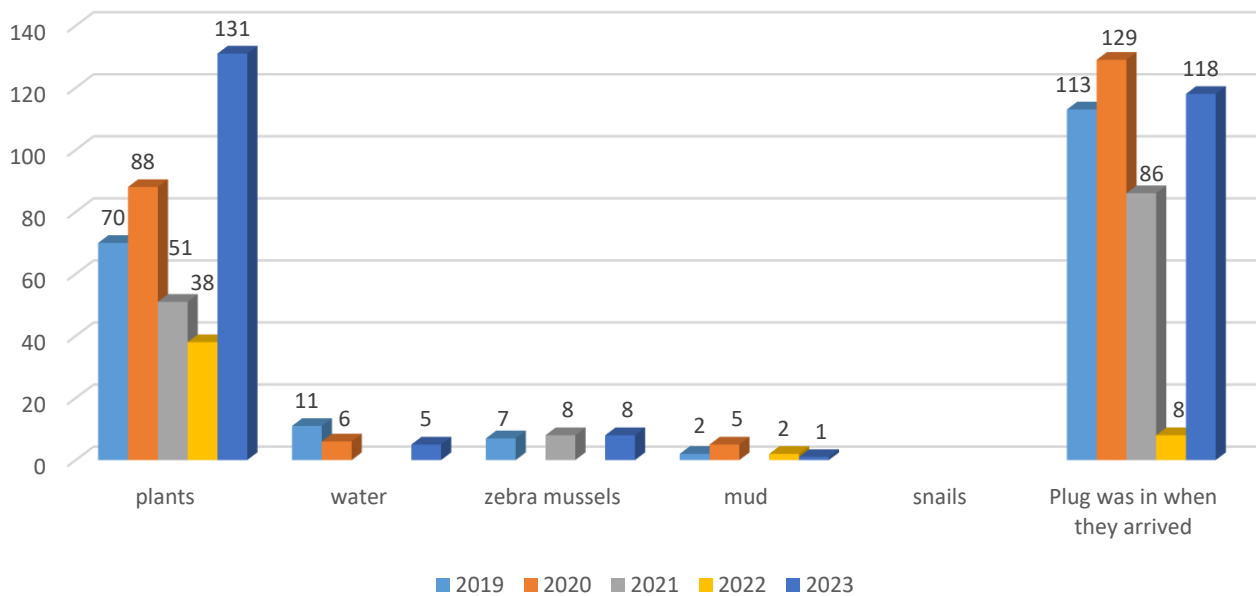
### Comparison of MN AIS Law Violation



**Figure 48:** Graph (above) shows the comparison of the percent of total boaters that violated Minnesota Aquatic Invasive Species (AIS) Laws in 2019 through 2023 seasons.

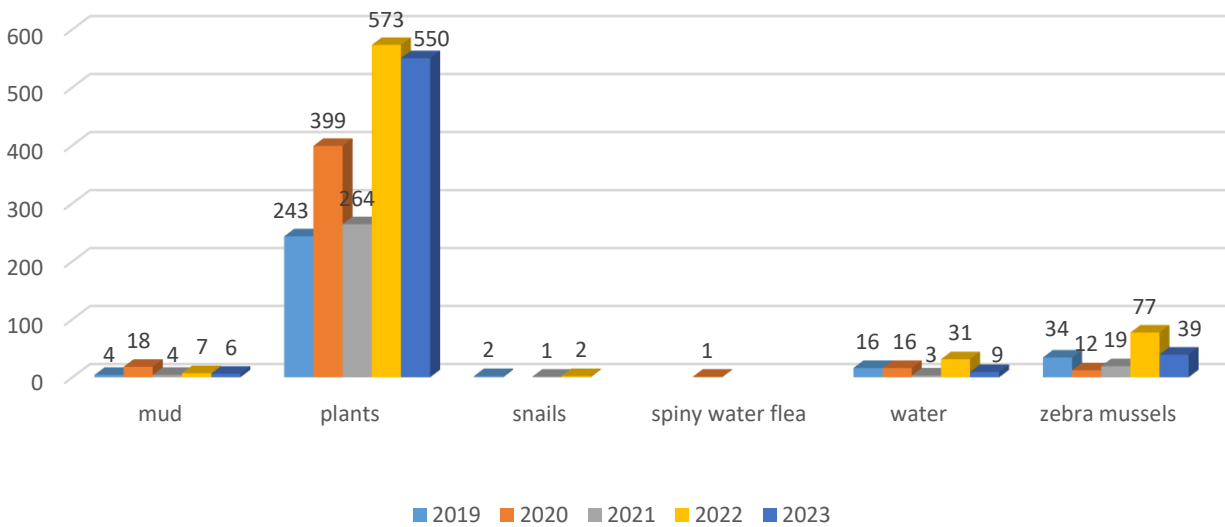
Over the past four years, the most common finding remains to be plants (Figure 49). This graph shows that in 2023 plants have significantly increased compared to previous years.

### Comparison of Findings at Entrance by Year



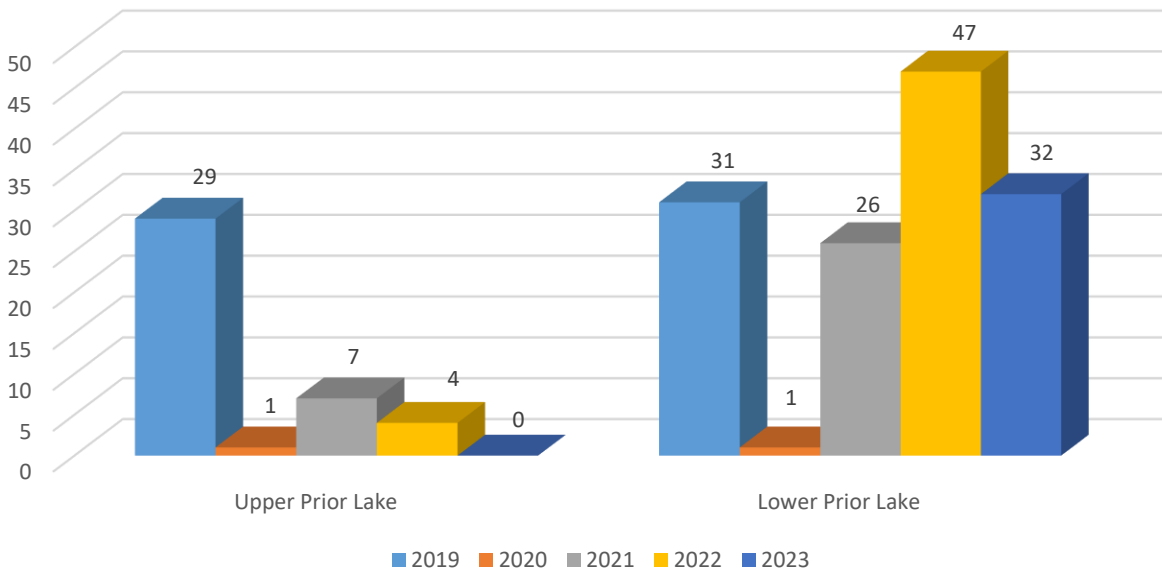
**Figure 49:** Graph (above) the comparison of findings during entering inspections in 2019 through 2023 seasons.

### Comparison of Findings at Exit by Year



**Figure 50:** Graph (above) the comparison of findings during exiting inspections in 2019 through 2023 seasons.

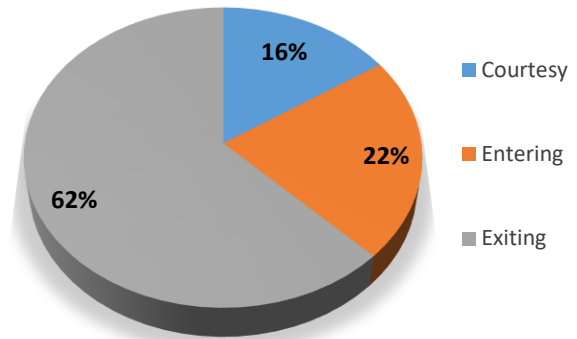
### Comparison of Decontaminations



**Figure 51:** Graph (above) shows the comparison of decontaminations performed at Upper Prior Lake and Lower Prior Lake by DNR inspector staff in 2019 through 2023 seasons.

Collaboration with the DNR inspectors is an important aspect to the overall success of the program and protection of the water from the spread of AIS. As the data shows, the DNR inspectors in tandem with the contracted inspectors of Waterfront Restoration deliver much greater coverage of the busy Prior Lake launch locations. Throughout the season Waterfront Restoration coordinated the inspector's scheduled shifts around the DNR inspector shifts, so that at no time were contracted inspectors doubled up with DNR inspectors at the same launch. This allowed both organizations to maximize the impact of the watercraft inspection programs.

## Decontaminations Completed in 2023



**Figure 52:** Graph (above) shows the comparison of when decontaminations were performed in 2023. 20 of the 32 total decontaminations were on exiting watercraft, 7 were entering watercraft, and 5 courtesies.

Another vital component to the partnership with the DNR is it gives the Level 1 inspectors a nearby location to recommend watercraft owners go to for a decontamination service on their watercrafts and water related equipment. Having a staffed decon unit within a close range of the launches is important in situations in which plants, animals, and/or water cannot be removed by hand. Another example of when quick access to a decon is important is when watercraft have been on a zebra mussel infested body of water for longer than 24 hours, or when they were last on a zebra mussel lake within the past 24 hours and are entering a clean body of water, or when exiting a zebra mussel infested body of water and plan to launch again within 5 days (recommended dry time).

## Summary and Comments

The 2023 watercraft inspection staffing began on May 13<sup>th</sup> and concluded on October 7<sup>th</sup>. The 1,011 contracted inspector hours for the season were all fulfilled (100% of all contract hours).

Key impacts from 2023 watercraft inspection season:

- In total, Waterfront Restoration Inspectors conducted 3.8 inspections per hour on average.
- 39% increase in total inspections across the watershed district in 2023 compared to 2022.
- Inspectors reported to management throughout the season that most boaters were aware of their responsibility to prevent the spread of AIS, especially later in the boating season.
  - The unseasonably warm fall weather allowed Saturday and Sunday inspections to valuably continue as boaters recreated on the lakes into October.
- Inspectors offered public assistance at the boat ramp. At times this included directing traffic in the parking lots, holding a watercraft on the dock while a vehicle was retrieved, and sharing launch and lake specific information with the public.
- Represented the company and Prior Lake-Spring Lake Watershed District in a polite and professional manner with no complaints or concerns reported.
- The additional plant identification survey returned valuable insight into the plant species findings at each launch.
- Successfully enforced the state AIS statutes.

Opportunities from 2023 watercraft inspection season:

- In partnership with the DNR Level 2 inspectors, the number of decontaminations decreased compared to the 2022 season by about 37%.
- AIS law compliance and drain plug compliance worsened overall.
- Staffing in August and September was challenging with inspectors returning to school, fall sports, and family vacations.

Recommendations for 2024 watercraft inspection season:

- Consider increasing hours funding.
- Continue with at least the same level of coverage and consider more weekday coverage throughout the season if hours allow. Randomizing weekday and weekend evening shifts/hours could help make contact with boaters who many not otherwise interact with an inspector during a season.
- Expand inspector coverage to other Prior Lake-Spring Lake Watershed District lakes.
- Continue to provide and refresh educational AIS material handouts that Inspectors can give to boaters.

Overall, the watercraft inspection season was a success! Thank you for trusting Waterfront Restoration to recruit, staff, train, and manage a team of dedicated inspectors to help protect the Prior Lake-Spring Lake Watershed District lakes. We look forward to serving the watershed district, and the people who enjoy all the lakes next season.

## Appendix

[Why do watercraft inspections?](#)

[County Funding - How it works](#)

[Entering Inspection](#)

[How are your watercraft inspectors trained and what is your inspection protocol?](#)

[Little known facts about inspections](#)

[Should our county or lake consider expanding inspections to include more weekday shifts?](#)

[Watercraft Inspection Checklist](#)

[What are some of the AIS CURRENTLY on other lakes within Scott County?](#)

[What are some of the AIS laws and Penalties?](#)

[What risks are on the horizon in terms of AIS?](#)

[Other questions](#)



<b>Subject</b>	Cost Share Project Approval	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 4.5
<b>Prepared By</b>	Emily Dick	
<b>Attachments</b>	None.	
<b>Proposed Action</b>	Motion to approve a variance NTE \$10,000 for the Island View shoreline restoration cost share, provided that educational signage is included along the project.	

### **Background**

Annually, the District approves a cost share “Docket” and services agreement with Scott County Soil and Water Conservation District (SWCD) that jointly outlines the budget, process, and types of conservation practices that the District and SWCD will cover. In the Docket, shoreline restoration projects are incentivized at a flat rate of \$2/sq ft buffer with a maximum District contribution of \$2,000.

The District was approached by a citizen of the Island View Homeowners Association (HOA) with interest in developing a shoreline restoration proposal for one of their communal beaches on Upper Prior Lake. The intent is that the proposal would be brought to the HOA for consideration. Scott SWCD developed a proposal which would meet current cost share requirements. The initial proposal was for a 1,000 sq ft area, which would receive \$2,000 of cost share and completely cover the costs of the project. The citizen expressed that the HOA would be willing to consider a much larger shoreline buffer, if the costs were still covered by the District.

### **Discussion**

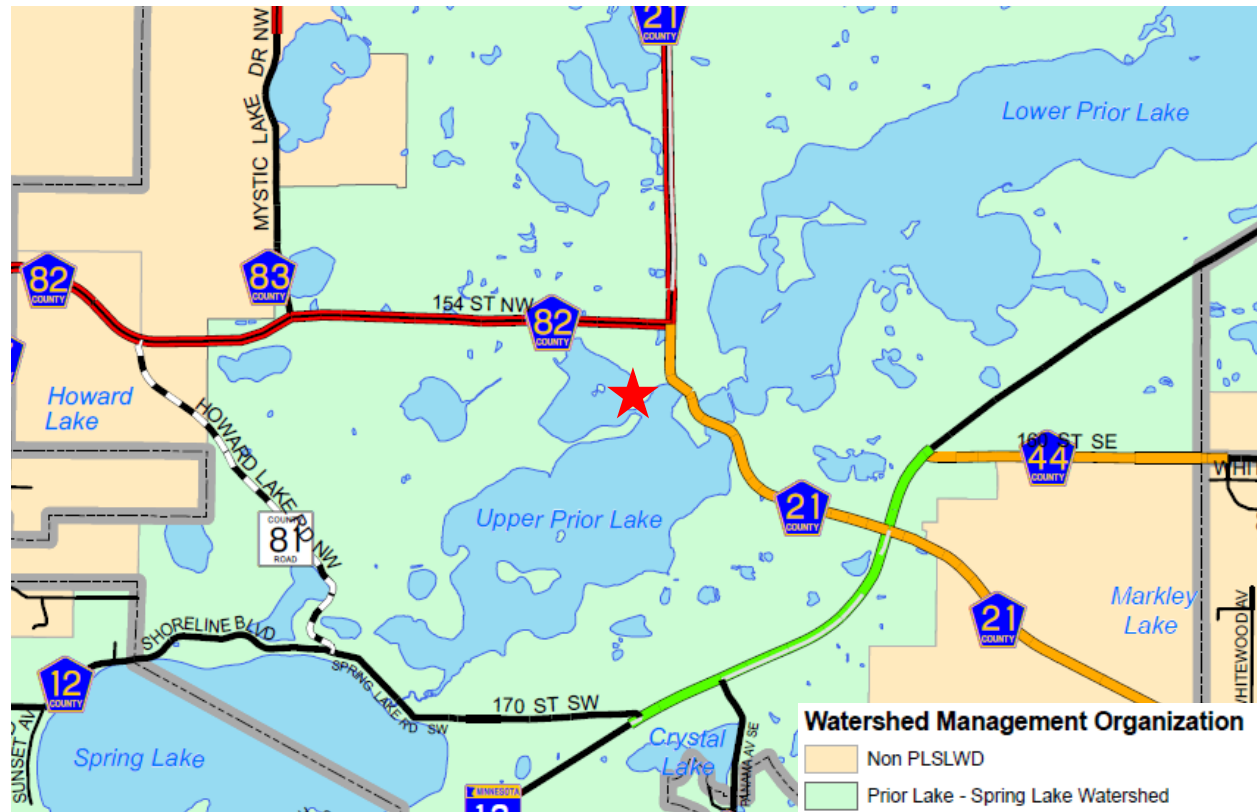
The cost share rates listed in the Docket are built for individual landowners and smaller areas which are more cost intensive for a smaller footprint. The cost share program rarely has shoreline restoration applicants beyond the minimum required buffer, and the amount of unarmored shoreline on Upper Prior Lake is very limited. Due to the nature of this site, a larger footprint is available for restoration, with visibility to 79 households within the immediate neighborhood and over 100 more households in the other Island View addition neighborhoods.

Staff is proposing that a variance be granted to allow for an increased footprint and cost of a larger shoreline restoration project. The HOA has voluntary membership and dues, and therefore does not have the budget to contribute to a shoreline restoration project. However, they are willing to consider a much larger buffer than is typically available through an individual landowner. The District staff would be supportive of this variance to improve visibility and education of cost share practices, reduce runoff and nutrients to the lake, reduce lawn and fertilizer adjacent to the lake, and improve habitat. The water quality benefits would be direct to Upper Prior Lake, a Tier 1 waterbody on the impaired waters list. Detailed project information for the proposed project is on the following pages.

## **Recommendation**

Motion to approve a variance not to exceed \$10,000 for the Island View shoreline restoration cost share, provided that educational signage is included along the project.

## **Project Location**



## **Project Benefit**

### **Current Max Grant Award: 1000 Sq. Ft. Buffer (100 ft x 10ft Buffer)**

Reductions: reductions for this size buffer were too small to produce calculable benefits

### **Increased Buffer & Grant Award: 6,600 Sq. Ft. Buffer (165ft x 40 ft)**

Reductions: Would produce an overall reduction of 10% towards performance goal annually

- Runoff Volume: 47 ft<sup>3</sup>
- Phosphorus: 0.073 lbs
- TSS: 24.3 lbs



# Project Site

## Lakeshore Restoration

Prepared for: Island View HOA  
Prepared by: M Darley  
Date: January 2024



- Lakeshore Buffer (10 x 100 ft)
- Lakeshore Buffer (40 x 165 ft)
- Parcels
- 2 Foot Contours





PRIOR LAKE SPRING LAKE WATERSHED DISTRICT  
 Financial Report - Cash Basis  
 January 1, 2023 Through December 31, 2023

\*\*Reflects bills paid through December 31, 2023\*\*

Program Element	2023 Source of Funds				2023 Actual Results		
	2023 Levy	Budget Reserve	Grant Funds/Fees	2023 Budget	December 2023	YTD	YTD % of Budget
<b>General Fund (Administration)</b>							
<b>Revenues</b>							
Property Taxes	\$ 249,200	\$ -	\$ -	\$ 249,200	\$ 116,806	\$ 248,154	100%
Grants	-	-	-	-	-	-	#DIV/0!
Interest	-	-	3,000	3,000	3,475	12,965	432%
Other	-	-	-	-	398	398	#DIV/0!
<b>Total Revenues</b>	<b>\$ 249,200</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ 252,200</b>	<b>120,679</b>	<b>261,517</b>	<b>104%</b>
<b>Expenditures</b>							
Administrative Salaries and Benefits	\$ 138,000	\$ -	\$ -	\$ 138,000	18,002	150,467	109%
703 - Telephone, Internet & IT Support	13,200	-	3,000	16,200	951	14,261	88%
702 - Rent	28,300	-	-	28,300	-	26,032	92%
706 - Office Supplies	9,000	-	-	9,000	1,057	5,397	60%
709 - Insurance and Bonds	14,200	-	-	14,200	-	17,470	123%
670 - Accounting	31,000	-	-	31,000	4,166	29,384	95%
671 - Audit	9,000	-	-	9,000	-	7,900	88%
903 - Fees, Dues, and Subscriptions	1,500	-	-	1,500	-	834	56%
660 - Legal (not for projects)	5,000	-	-	5,000	363	3,471	69%
<b>General Fund (Administration) Expenditures</b>	<b>\$ 249,200</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ 252,200</b>	<b>24,539</b>	<b>255,217</b>	<b>101%</b>
<b>Net Change in General Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,140</b>	<b>6,301</b>	

PRIOR LAKE SPRING LAKE WATERSHED DISTRICT

2023 Budget

January 1, 2023 Through December 31, 2023

Program Element	2023 Source of Funds				2023 Actual Results		
	2023 Levy	Budget Reserve	Funds/Fees	2023 Budget	December 2023	YTD	YTD % of Budget
<b>Implementation Fund</b>							
<b>Revenues</b>							
Property Taxes	\$ 1,670,736	\$ -	\$ -	\$ 1,670,736	778,645	1,654,773	99%
Grants/Fees	-	-	120,664	120,664	-	65,057	54%
Interest	-	-	67,200	67,200	1,722	69,875	104%
Sales/Other	-	-	-	-	512	2,766	#DIV/0!
Budget Reserves	-	\$ 371,200	-	371,200	-	-	0%
<b>Total Revenues</b>	<b>\$ 1,670,736</b>	<b>\$ 371,200</b>	<b>\$ 187,864</b>	<b>\$ 2,229,800</b>	<b>780,878</b>	<b>1,792,471</b>	<b>80%</b>
<b>Expenditures</b>							
Program Salaries and Benefits (not JPA/MOA)	\$ 492,900	\$ -	\$ -	\$ 492,900	42,788	403,270	82%
Water Qual 550 Public Infrastructure Partnership Projects	\$ -	\$ -	\$ -	\$ -	-	-	#DIV/0!
Water Qual 611 Farmer-led Council	54,000	-	-	54,000	636	44,738	83%
Water Qual 611 Cost-Share Incentives	58,000	-	-	58,000	-	44,314	76%
Water Qual 611 Highway 13 Wetland, FeCl system & Desilt, O&M	30,800	-	67,200	98,000	14,544	82,640	84%
Water Qual 611 Fish Management, Rough Fish Removal	94,000	8,900	-	102,900	3,912	85,940	84%
Water Qual 611 Spring Lake Demonstration Project Maintenance	1,200	-	-	1,200	-	550	46%
Water Qual 611 Alum Internal Loading Reserve	220,000	-	-	220,000	-	-	0%
Water Qual 611 Fish Stocking	3,000	-	-	3,000	-	3,500	117%
Water Qual 637 District Monitoring Program	81,000	-	-	81,000	24,454	48,117	59%
Water Qual 626 Planning and Program Development	17,500	-	-	17,500	4,921	17,938	103%
Water Qual 626 Fish Lake Management Plan Update	30,404	-	50,896	81,300	-	82,592	102%
Water Qual 626 LGU Plan Review	4,000	-	-	4,000	-	-	0%
Water Qual 626 Engineering not for programs	15,000	-	-	15,000	9,878	29,595	197%
Water Qual 626 Debt Issuance Planning	10,000	-	-	10,000	-	-	0%
Water Qual 648 Permitting and Compliance	74,000	-	5,000	79,000	2,701	56,915	72%
Water Qual 648 Update MOAs with cities & county	10,000	-	-	10,000	-	1,011	10%
Water Qual 648 BMP and easement inventory & inspections	9,500	-	500	10,000	4,897	25,485	255%
Water Qual 626 Upper Watershed Projects	122,332	362,300	39,868	524,500	9,477	51,862	10%
Water Qual 626 District Plan Update	2,500	-	-	2,500	-	-	0%
<b>WQ TOTAL</b>	<b>\$ 837,236</b>	<b>\$ 371,200</b>	<b>\$ 163,464</b>	<b>\$ 1,371,900</b>	<b>75,420</b>	<b>575,196</b>	<b>42%</b>
Water Storage 550 District-wide Hydraulic & Hydrologic model	\$ 5,000	\$ -	\$ -	\$ 5,000	-	-	0%
<b>WS TOTAL</b>	<b>\$ 5,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>-</b>	<b>-</b>	<b>0%</b>
AIS 611 Aquatic Vegetation Mgmt	5,600	-	\$ 9,400	\$ 15,000	-	8,697	58%
AIS 637 Automated Vegetation Monitoring (BioBase)	\$ 2,000	-	-	2,000	-	781	39%
AIS 637 Aquatic Vegetation Surveys	5,500	-	-	5,500	6,700	6,700	122%
AIS 637 Boat inspections on Spring, Upper & Lower Prior	17,000	-	15,000	32,000	-	31,913	100%
<b>AIS TOTAL</b>	<b>30,100</b>	<b>-</b>	<b>24,400</b>	<b>54,500</b>	<b>6,700</b>	<b>48,091</b>	<b>88%</b>
Ed & Out 652 Education and Outreach Program	\$ 40,000	\$ -	\$ -	\$ 40,000	3,249	11,104	28%
<b>E&amp;O TOTAL</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,000</b>	<b>\$ 3,249</b>	<b>\$ 11,104</b>	<b>28%</b>
PLOC Contribution	\$ 185,500	\$ -	\$ -	\$ 185,500	-	185,421	100%
Debt Payment Reserve	80,000	-	-	80,000	-	-	0%
<b>Total Implementation Fund</b>	<b>\$ 1,670,736</b>	<b>\$ 371,200</b>	<b>\$ 187,864</b>	<b>\$ 2,229,800</b>	<b>128,157</b>	<b>1,223,081</b>	<b>55%</b>
<b>Net Change in Fund Balance Implementation Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>652,721</b>	<b>569,390</b>	
<b>Grant Funds/Fees Anticipated</b>							
Water Qual 611 Farmer-led Council (SWCD)			-	-			
Water Qual 611 Farmer-led Council (BWSR Grant)			\$ -	\$ -			
Interest Income (general fund & Implementation fund)			\$ 70,200	\$ 70,200			
648 New Easement Acquisition Fees			5,000	5,000			
Water Qual 648 Easement Amendment/violations fees			500	500			
626 UWB (BWSR Lower MN River South (WBIF-grant)			3,958	3,958			
Fish Lake Mgmt Plan & Swamp IESF Feas. ('23 WBIF Grant)			82,806	82,806			
Spring Lake Twnshp Contribution (Fish Lake Mgmt Plan)			4,000	4,000			
550 S&I Sutton Lake Outlet (DNR Flood Hazard Grant)			-	-			
AIS Grant for Upper Prior Lake (DNR Grant)			4,335	4,335			
AIS 611 Aquatic Vegetation Mgmt. (Scott County)			20,065	20,065			
<b>Total Grant Funds/Fees Anticipated</b>			<b>\$ 190,864</b>	<b>\$ 190,864</b>			

\*\*Reflects bills paid through December 31, 2023\*\*

**PLSLWD Monthly Treasurers Report**

Treasurer: Christian Morkeberg

*Account balances as of 12/31/2023*

4M Fund (Checking Account)	\$	1,998,856
4M Fixed Income	\$	1,660,600
Total Uncleared Transactions	\$	-
<b>SUBTOTAL</b>	<b>\$</b>	<b>3,659,456</b>

<b>RESTRICTED/COMMITTED FUNDS</b>		
Restricted - Permit Deposits, etc. (350 & 360)	\$	127,222
Restricted - PLOC Contingency Reserve (850)	\$	270,100
Restricted - PLOC O&M Funds (830)	\$	185,107
Committed - Alum Internal Loading Reserve	\$	700,000
Committed - Upper Watershed Fund Balance	\$	442,000
Committed - Debt Payment	\$	180,000
<b>TOTAL DISTRICT/PLOC RESTRICTED OBLIGATIONS</b>	<b>\$</b>	<b>1,904,429</b>

<b>Available cash at end of December 2023</b>	<b>\$</b>	<b>1,755,027</b>
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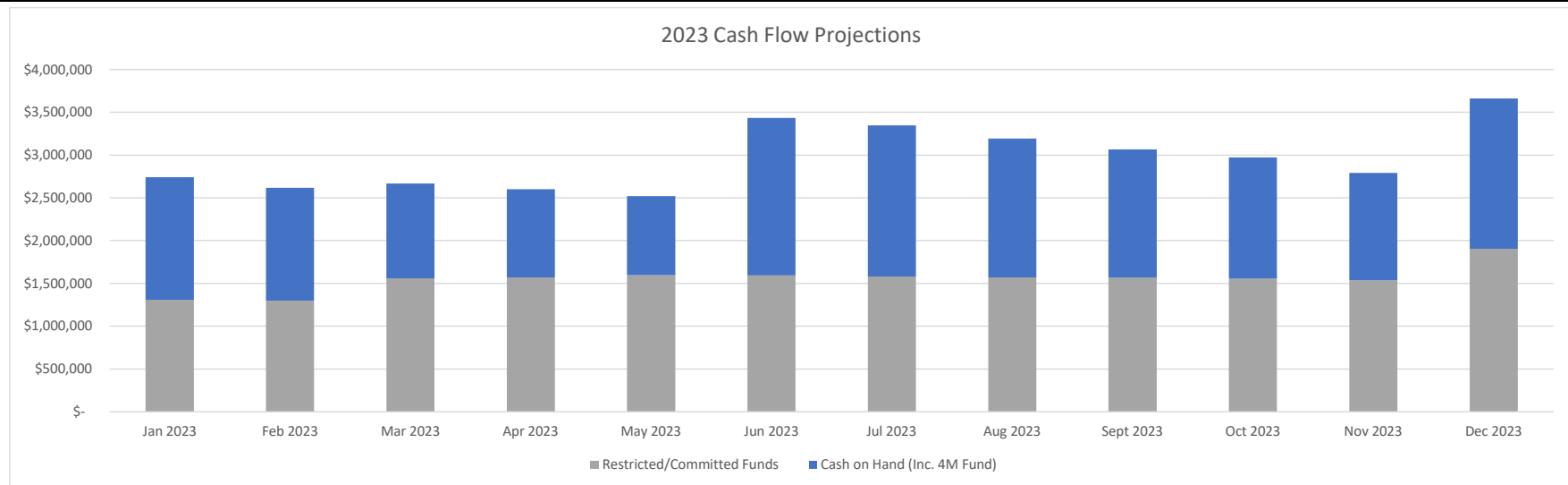
*71.0% of 2023 Budget*

Draft amounts subject to change during audit preparation

No assurance provided on these financial statements

# Cash Flow Chart

Month (End of Month)	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023
Cash on Hand (Inc. 4M Fund)	\$ 1,431,758	\$ 1,320,069	\$ 1,107,290	\$ 1,031,741	\$ 922,202	\$ 1,842,295	\$ 1,768,498	\$ 1,623,381	\$ 1,497,508	\$ 1,414,510	\$ 1,253,608	\$ 1,755,027
Restricted/Committed Funds	\$ 1,308,754	\$ 1,298,440	\$ 1,560,558	\$ 1,568,338	\$ 1,597,340	\$ 1,592,144	\$ 1,578,169	\$ 1,570,021	\$ 1,567,968	\$ 1,556,662	\$ 1,536,277	\$ 1,904,429
<b>Total Cash on Hand</b>	<b>\$ 2,740,512</b>	<b>\$ 2,618,509</b>	<b>\$ 2,667,848</b>	<b>\$ 2,600,079</b>	<b>\$ 2,519,542</b>	<b>\$ 3,434,439</b>	<b>\$ 3,346,667</b>	<b>\$ 3,193,402</b>	<b>\$ 3,065,476</b>	<b>\$ 2,971,172</b>	<b>\$ 2,789,885</b>	<b>\$ 3,659,456</b>



Draft Amounts subject to change during audit preparation

No assurance is provided on these financial statements

# PLSL Watershed District

Starting cash on hand

Cash Minimum Balance Alert \$ 150,000

	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	Total
Cash on hand (beginning of month)	\$ 2,822,334	\$ 2,740,512	\$ 2,618,509	\$ 2,667,848	\$ 2,600,079	\$ 2,519,542	\$ 3,434,439	\$ 3,346,667	\$ 3,193,402	\$ 3,065,476	\$ 2,971,172	\$ 2,789,885	

**Cash Receipts**

Property Tax Levy	\$ 15,415	\$ -	\$ -	\$ -	\$ -	\$ 1,006,813	\$ -	\$ -	\$ -	\$ 663	\$ -	\$ 895,415	\$ 1,918,306
BWSR WBIF	-	-	41,403	-	-	-	-	-	-	-	-	-	41,403
BWSR BWF - Lower MN River South	-	-	-	-	-	-	-	-	-	-	-	-	-
DNR Flood Hazard Mitigation Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants - Other	-	-	-	-	-	-	-	-	-	-	23,654	-	23,654
PLOC Contributions	-	-	287,598	-	33,717	-	-	-	-	-	-	-	321,315
Interest Income	5,631	5,108	5,749	10,806	5,841	7,772	8,981	8,688	8,135	17,426	5,899	26,360	116,396
Other Receipts	-	-	2,000	-	-	-	-	-	-	-	-	63,107	65,107
<b>Total Cash Receipts</b>	<b>\$ 21,046</b>	<b>\$ 5,108</b>	<b>\$ 336,750</b>	<b>\$ 10,806</b>	<b>\$ 39,558</b>	<b>\$ 1,014,585</b>	<b>\$ 8,981</b>	<b>\$ 8,688</b>	<b>\$ 8,135</b>	<b>\$ 18,089</b>	<b>\$ 29,553</b>	<b>\$ 984,882</b>	<b>\$ 2,486,181</b>
<b>Total Cash Available</b>	<b>\$ 2,843,380</b>	<b>\$ 2,745,620</b>	<b>\$ 2,955,259</b>	<b>\$ 2,678,654</b>	<b>\$ 2,639,637</b>	<b>\$ 3,534,127</b>	<b>\$ 3,443,420</b>	<b>\$ 3,355,355</b>	<b>\$ 3,201,537</b>	<b>\$ 3,083,565</b>	<b>\$ 3,000,725</b>	<b>\$ 3,774,767</b>	

**Cash Paid Out**

Salaries and Per Diems	\$ 28,453	\$ 38,504	\$ 60,801	\$ 39,421	\$ 39,424	\$ 41,689	\$ 52,400	\$ 69,048	\$ 39,230	\$ 42,207	\$ 44,747	\$ 43,377	\$ 539,301
Office Expense, Audit, Accounting	7,787	3,932	7,957	18,361	10,749	3,602	9,120	6,462	7,569	6,069	9,015	17,218	107,841
PLSLWD Program Costs	66,307	74,361	24,771	17,173	65,207	44,230	21,258	74,389	83,143	52,811	136,693	50,101	710,444
PLOC Contribution	-	-	185,421	-	-	-	-	-	-	-	-	-	185,421
PLOC Operations	321	10,314	8,461	3,620	4,715	10,167	13,975	12,054	6,119	11,306	20,385	4,615	106,052
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>\$ 102,868</b>	<b>\$ 127,111</b>	<b>\$ 287,411</b>	<b>\$ 78,575</b>	<b>\$ 120,095</b>	<b>\$ 99,688</b>	<b>\$ 96,753</b>	<b>\$ 161,953</b>	<b>\$ 136,061</b>	<b>\$ 112,393</b>	<b>\$ 210,840</b>	<b>\$ 115,311</b>	<b>\$ 1,649,059</b>
<b>Cash on Hand (end of month)</b>	<b>\$ 2,740,512</b>	<b>\$ 2,618,509</b>	<b>\$ 2,667,848</b>	<b>\$ 2,600,079</b>	<b>\$ 2,519,542</b>	<b>\$ 3,434,439</b>	<b>\$ 3,346,667</b>	<b>\$ 3,193,402</b>	<b>\$ 3,065,476</b>	<b>\$ 2,971,172</b>	<b>\$ 2,789,885</b>	<b>\$ 3,659,456</b>	

Draft amounts subject to change during audit

No assurance is provided on these financial statements

## Prior Lake-Spring Lake Watershed District Balance Sheet

	12/31/2023 Balance
Cash/Investments	
4M Fund/US Bank	\$ 3,659,456
	\$ 3,659,456
Receivables	
PLOC - Contributions	-
Other Receivables	-
Prepays	
2024 Dues	7,500
Rent	2,387
Total Assets	\$ 3,669,343
Liabilities	
Accounts Payable	\$ 41,727
Due to Scott County	62,197
Due to Three Rivers Park District	18,050
Permit Security	124,395
Permit Deposits	2,827
	207,469
Fund Balance	
Restricted	455,207
Committed	1,322,000
Unassigned	1,684,667
	3,461,874
Total Liabilities and Fund Balance	\$ 3,669,343

Draft amounts subject to change during audit preparation

No assurance provided on these financial statements

PLSLWD  
Cost Analysis  
Year to Date 12/31/2023

	<u>Year to Date 12/31/2023</u>	
	Amount	% of total
<u>Program staff costs</u>	<b><u>403,270</u></b>	<b>27.3%</b>
<u>Consultants</u>		
EOR	212,985	
Blue Water Science	14,350	
Three Rivers Park District	18,050	
WSB & Associates	68,800	
Scott Soil and Water Cons.	139,870	
RMB Environmental Labs	13,616	
Stantec Consulting Services	35,607	
Waterfront Resorations	31,913	
	<b><u>535,191</u></b>	<b>36.2%</b>
Hard costs, exclusive of prog staff & consultant costs	88,227	
Permitting Revenue	-	
	<b><u>88,227</u></b>	<b>6.0%</b>
<u>Overhead and Administration</u>		
Staff costs	150,467	
Audit/Accounting/Legal	40,755	
Other admin overhead	63,995	
IT Support (Raymark)	10,973	
	<b><u>266,190</u></b>	<b>18.0%</b>
<u>Bonds payments</u>	-	<b>0.0%</b>
<u>PLOC Contribution</u>	<u>185,421</u>	<b>12.5%</b>
<b>Expenses excluding PLOC expenses per manager report</b>	<b><u><u>1,478,298</u></u></b>	<b>100.0%</b>

No assurance is provided on this statement.

This statement omits required disclosures.

This statement is prepared on the cash basis of accounting.

Draft amounts subject to change during audit preparation

No assurance provided on this statement.



# PRIOR LAKE SPRING LAKE WATERSHED DISTRICT

## WORKSHOP MEETING MINUTES

*Tuesday, December 12, 2023*

*Prior Lake City Hall*

*4:00 PM*

Members Present:

Bruce Loney, Frank Boyles, Ben Burnett, Matt Tofanelli

*Absent:* Christian Morkeberg,

Staff & Consultants Present:

Joni Giese, District Administrator

Emily Dick, Water Resources Project Manager

Jeff Anderson, Water Resources Coordinator

Danielle Studer, Water Resources Specialist

Carl Almer, District Engineer, EOR

Others Present:

Jim Fitzsimmons, Scott SWCD

Maureen Reeder, Citizen Advisory Committee

Lisa Quinn, Spring Lake Township

The meeting was called to order at 4:00 PM.

### **Upper Watershed Project Approach**

District Water Project Manager Emily Dick gave an overview of the District's planning models, TMDL goals and project suite that could work to accomplishing the goals. The District has two main planning models: the Upper Watershed Blueprint (UWB), and the Total Maximum Daily Load (TMDL). The UWB identifies water quality projects, and the TMDL identifies phosphorus reduction goals. In order to prioritize projects, the District needs to be able to equate project benefits to the TMDL goal and account for the existing ferric chloride system. A new tool was developed in order to compare projects to the TMDL Phosphorus reduction goal and create "scenarios" that could be phased or prioritized to meet TMDL goals. The new tool also accounts for the existing Ferric Chloride site which allows the District to get a more accurate picture of "new" phosphorus reduction offered by each project.

Four scenarios were presented, each offering slightly more phosphorus reduction, respectively accomplishing between 59-80% of our TMDL goals. If the District implemented all identified



projects, it would reach 90% of the TMDL reduction goal. The scenarios also increased in estimated cost, ranging from \$8.1 million to \$17.2 million, with all projects completed at \$26.5 million.

Staff also presented a two-tier prioritization strategy. First, outreach to high priority projects to identify if there are willing landowners, moving down the list from highest priority to lowest. The second tier would be to prioritize the projects based on water quality benefit and available funding. Projects with willing landowners are eligible for grant funding which improves their cost effectiveness.

Board feedback and discussion centered around the fact that the District would need to accomplish all projects to reach its goals, and so project prioritization is less important than willing landowners. There was discussion on incentivizing landowners with competitive offers, and approaching the most desirable project landowners first with a good offer. Some board managers felt that cost effectiveness of the project should be the priority, whereas others suggested that the projects that offered the most phosphorus removal should be priority, regardless of cost. There was interest for staff to bring projects that are ready for a landowner offer to the Board for consideration. Further discussions on the upper watershed approach are anticipated.

#### **Personnel Policy Update: Paid Time Off, Earned Sick and Safety Time, and Holidays**

A Minnesota state law was passed that requires governmental entities to provide earned sick and safe time for eligible employees. Eligible employees include all part-time and seasonal employees, or anyone working 80 hours in a year. If a paid time off (PTO) policy meets the state standards, it can serve the purpose of satisfying the requirement. The state statute will be effective January 1, 2024. The District Administrator has updated the personnel policy to meet the state requirements. Meanwhile other updates were made such as including the Juneteenth holiday approved by the Board in June 2023, and clarifying how the Christmas Eve holiday is taken.

#### **Buckthorn Treatment-Potential Partnership Project**

District Administrator Giese presented a potential project for buckthorn removal at Raymond Park and the District's neighboring wetland property. The City of Prior Lake is interested in partnering for removal at Raymond Park, and buckthorn is present at the District's property. The removal would provide water quality benefit by removing invasive species and allowing native species with better filtration and erosion control to rebound. There is grant funding available for this type of project, and potential for an outreach or volunteer event. The Board was supportive of continuing discussions with the City.

#### **Fauna Analysis**

Manager Tofanelli introduced the idea of the District doing fauna-based studies to understand how fauna can impact or be impacted by water quality. The District currently studies flora via Biobase, phytoplankton surveys, and aquatic vegetation surveys. The question to the District is whether it would provide value to track fauna also, such as the impact of zebra mussels or the Chinese mystery snail. The District Administrator commented that there is value, but it is not stated as a priority in our plan and would require time currently allocated to other monitoring. The Manager is interested in the staff's opinion on the value of collecting this type of information. The District Administrator will research with other Watershed District's to see if they have done this work and if they have found value in it.

## **Liaison Updates**

### District Partner Reports

- *Citizen Advisory Committee*- Very good staff follow up on questions related to the 2024 Budget and the MN Watersheds Resolution process. CAC has an interest in the legislative platform of MN Watersheds and see which issues they may want to engage on. Discussion on recruitment to the CAC, and Ana's first meeting. Two interviews for potential new members will be conducted. Received staff updates on Fish Lake Management Plan and Swamp Lake Iron Enhance Sand Filter. Discussed whether edits are needed to the operating guidelines.
- *Scott SWCD*- SWCD staff has assisted in PLSLWD landowner outreach. SCENE articles were submitted on native tree sale, winter salt use, and Outdoor Education. SWCD work in the District included: outreach to 12 landowners regarding conservation projects; Dubbe ditch repair; easement inspections follow up; and resolving a wetland fill violation.
- *Spring Lake Township*- Looking forward to participating in the WBIF convening meetings and reviewing projects to suggest.

### Manager Liaison Reports

- *CAC*- None.
- *Scott SWCD*- None.
- *Lower Minnesota Watershed District*- None.
- *Sand Creek Township*- None.
- *Spring Lake Township*- None.
- *Scott WMO*- Passed levy, 2.75% increase. \$700,000 out of reserves is being used for projects in 2024. Did vote on the cost share Docket. There are two vacancies on the Scott Watershed Planning Commission.
- *Shakopee*- None.
- *SCALE*- Executive committee and legislative committee are both focused on new legislation that will change the definition of lobbying. There are exemptions and nuances that are unanswered.
- *Scott County*- Passed levy.
- *Metro Watersheds*- None.
- *PLOC Cooperators*-None.
- *Farmer-Led Council*- None.

### **Administrator Report**

- Will be given at the Board meeting due to time.

Respectfully Submitted,  
Emily Dick  
12/14/2023



## REGULAR MEETING MINUTES

*Tuesday, December 12, 2023*

*Prior Lake City Hall*

*6:00 PM*

Members Present: Bruce Loney, Ben Burnett, Frank Boyles, Matt Tofanelli

Members Absent: Christian Morkeberg

Staff & Consultants Present: Joni Giese, District Administrator  
 Jeff Anderson, Water Resources Coordinator  
 Emily Dick, Water Resources Project Manager  
 Carl Almer, EOR, District Engineer

Others Present: Josh Accola, Stantec  
 Maureen Reeder  
 Woody Spitzmueller  
 Michelle Tofanelli  
 Lisa Quinn, Spring Lake Township

### • 1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE:

Meeting was called to order by President Loney at 6:04 pm. Everyone present recited the Pledge of Allegiance.

### • 2.0 PUBLIC COMMENT

- No public comments.

### PUBLIC HEARING – 2024 BUDGET AND LEVY

- Motion to open public hearing on the 2024 Budget and Levy resolutions by Manager Burnett; 2<sup>nd</sup> by Manager Boyles; passed 4-0.
  - 2024 Budget — Resolution 23-372
    - Manager Boyles motioned to pass Resolution 23-372; 2<sup>nd</sup> by Manager Burnett; passed 4-0.
  - 2024 Levy — Resolution 23-373
    - Manager Boyles motioned to pass Resolution 23-373; 2<sup>nd</sup> by Manager Burnett; passed 4-0.
- Motion to close public hearing on the 2024 Budget and Levy resolutions by Manager Boyles, 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.

## **PUBLIC HEARING – STORMWATER POLLUTION PREVENTION PLAN (SWPPP) ANNUAL PUBLIC HEARING**

- Motion to open the Annual Public Hearing for the Stormwater Pollution Prevention Plan (SWPPP), by manager Tofanelli; 2<sup>nd</sup> by Manager Burnett; passed 4-0.
  - The Stormwater Pollution Prevention Plan (SWPPP) was presented.
  - No public comments.
  - Motion to close public hearing by Manager Burnett, 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.
  
- **3.0 APPROVAL OF AGENDA**
  - Agenda changes:
    - Added 4.6 for Administrator report
  - Motion to approve amended agenda by Manager Boyles; 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.
  
- **4.0 OTHER OLD/NEW BUSINESS**
  - 4.1 Acknowledgement of Woody Spitzmueller and his service to PLSLWD.**
    - Motion to recognize Woody Spitzmueller's service to PLSLWD by Manager Boyles, Manager Burnett, Manager Tofanelli and Manager Loney; passed 4-0.
  - 4.2 Programs & Projects Update**
    - Staff provided a report of its many activities the preceding month.
  - 4.3 Swamp Lake Phosphorus and Peak Flow Reduction Feasibility Study**
    - Study presented by Emily Dick
    - Motion to accept study by Manager Boyles; 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.
  - 4.4 Fish Lake Management Plan Update**
    - Motion to accept Plan Update as presented by Manager Burnett; 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.
  - 4.5 Ferric Chloride Facility Electronic Equipment Replacement Update**
    - Motion to approve the replacement of Ferric Chloride Facility failed weir and tank level sensors and failed datalogger by Manager Boyles; 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.
  - 4.6 Administrator report - Administrator Giese**
    - Staff is still working to respond to concerns expressed by Tom Chaklos at the November meeting during the public comments about the health of Haas Lake.
    - E-mail for scheduling of Board Retreat
    - Staff attended Minnesota Watersheds Conference and found many useful sessions and information
      - Next year with full membership in Minnesota Watersheds, some board managers will need to attend as well.
    - Thank-you's were sent to PLSLWD volunteers.

- **5.0 TREASURER'S REPORT**

Administrator Giese summarized the financial information contained in the packet including:

- **5.1 Monthly Financial Reports (Discussion Only)**

- Financial Report
- Treasurers Report
- Cash Flow Projections

- **6.0 CONSENT AGENDA**

Manager Loney removed Item 6.7 from the consent agenda.

**6.1** Meeting Minutes – November 14, 2023, Board Workshop

**6.2** Meeting Minutes – November 14, 2023, Board Meeting

**6.3** Meeting Minutes – September 28, 2023, CAC Meeting

**6.4** Claims List and Bank Purchase Card Expenditures Summary

**6.5** Year End Fund Commitments

- Alum Internal Loading Fund Balance Commitment – Resolution 23-374
- Upper Watershed Fund Balance Commitment – Resolution 23-375
- Debt Payment Reserve Fund Balance Commitment – Resolution 23-376

**6.6** Personnel Policy Update: Paid Time Off, Earned Sick and Safe Time, and Holidays

- Motion to approve consent agenda items 6.1 through 6.6 (removed 6.7) by Manager Burnett; 2nd by Manager Tofanelli; passed 4-0.

**6.7** 2024 WSB Carp Management Services Contract

- Motion to approve 2024 WSB Carp Management Services Contract by Manager Loney; 2nd by Manager Boyles; passed 4-0.

- **7.0 UPCOMING MEETING/EVENT SCHEDULE:**

- Farmer-led Council Meeting, Tuesday, December 19, 2023, 12:00 pm (Spring Lake Township Hall)
- Board of Managers Workshop, Tuesday, January 16, 2024, 4:00 pm (Prior Lake City Hall – Parkview Conference Room)
- Board of Managers Meeting, Tuesday, January 16, 2024, 6:00 pm (Prior Lake City Hall – Council Chambers)
- CAC Meeting, Thursday, January 25, 2024, 6:00 pm (Prior Lake City Hall – Wagon Bridge Conference Room)

- **8.0 ADJOURNMENT**

- Motion to adjourn by Manager Burnett; 2<sup>nd</sup> by Manager Tofanelli; passed 4-0.
- Meeting adjourned at 7:18 pm

Respectfully Submitted,  
Ben Burnett, PLSLWD Secretary, 1/8/24

**Prior Lake Spring Lake Watershed District  
Claims list for Invoice Payments due for the prior month**

Managers will consider approving this claims list - Staff payroll and benefits, Manager per diems, and Health insurance premiums have already been paid via ACH transfers. After the managers vote, two Managers will approve individual payments via BILL within three days of the meeting for approved claims. Then, staff will release payment via BILL to the claims list parties.

Vendor	Invoice Link	Description	Amount
<b>1. Watershed District Projects (excluding staff payroll)</b>			
EOR	<a href="#">x</a>	General Engineering (00758-0161)	\$ 3,000.00
		Fish Lake Management Plan (00758-0159)	\$ 2,625.69
		Ferric Chloride System Assessment (00758-0168)	\$ 853.71
		Permitting (00758-0161)	\$ 400.50
Blue Water Science	<a href="#">x</a>	Aquatic Plant Surveys (Sutton, Spring, Upper Prior)	\$ 6,700.00
Stantec	<a href="#">x</a>	Swamp Lake Feasibility Study	\$ 4,511.16
Advantage Signs & Graphics	<a href="#">x</a>	Easement Signs	\$ 4,125.00
Vessco Inc.	<a href="#">x</a>	Onsite Service - Chemical Feed Skid	\$ 1,050.00
WSB	<a href="#">x</a>	Carp Management-October 2023	\$ 2,200.36
	<a href="#">x</a>	Carp Management - November 2023	\$ 788.10
Larry Cowing	<a href="#">x</a>	FLC Speaker Fees	\$ 428.51
BSA Environmental Services	<a href="#">x</a>	Zooplankton, Phytoplankton Analysis	\$ 2,191.00
Three Rivers Park District	<a href="#">x</a>	Lake Sampling completed in 2023	\$ 18,050.00
Smith Partners	<a href="#">x</a>	Title Review - Hauer Easement	\$ 744.30
Xcel Energy	<a href="#">x</a>	Utilities at 18051 Langford Avenue	\$ 13.24
		<b>Subtotal</b>	<b>\$ 47,681.57</b>
<b>2. Outlet Channel - JPA/MOA (excluding staff payroll)</b>			
EOR		Segment 1	\$ 908.50
		Channel-wide	\$ 89.00
		<b>Subtotal</b>	<b>\$ 997.50</b>
<b>3. Payroll, Office and Overhead</b>			
ADP Manager Per Diems			\$ 266.24
ADP Staff Payroll			\$ 17,946.00
ADP Taxes & Benefits			\$ 21,394.64
NCPERS	<a href="#">x</a>	January 2024 Life Insurance Premiums	\$ 96.00
Reliance Standard	<a href="#">x</a>	January 2024 LTD and STD Premiums	\$ 852.04
HealthPartners	<a href="#">x</a>	Health Insurance Premiums - January 2024	\$ 7,266.49
City of Prior Lake	<a href="#">x</a>	Rent (February 2024)	\$ 2,387.03
CLA	<a href="#">x</a>	Monthly Accounting - December 2023	\$ 1,650.00
		Technology and Client Support Fee	\$ 98.90
		Monthly Payroll processing	\$ 328.00
		Bill.com fees - December	\$ 68.00
SmithPartners	<a href="#">x</a>	Records retention issue	\$ 362.69
SW Newsmedia	<a href="#">x</a>	2024 Budget and Levy posting	\$ 119.88
	<a href="#">x</a>	SWPPP posting	\$ 127.70
Rymark	<a href="#">x</a>	January Billing (7 workstations)	\$ 865.75
Metro Sales	<a href="#">x</a>	Contract base rate 12/8/2023-1/7/2024	\$ 155.00
	<a href="#">x</a>	Contract usage charge 9/30/2023-12/29/2023 & Base rat	\$ 627.86
HDR, Inc.	<a href="#">x</a>	Website Planning and Design/Project Management	\$ 3,248.75
US Bank	<a href="#">x</a>	December Billing	\$ 4,311.41
		<b>Subtotal</b>	<b>\$ 62,172.38</b>
		<b>TOTAL</b>	<b>\$ 110,851.45</b>

Prior Lake-Spring Lake Watershed District  
US Bank Transactions through 12/25/2023

Trans Date	Merchant Name	Amount	Receipt Link	Staff Approval	Class	Customer	Expense	Description
11/27/2023	Ironclad Storage	\$ 260.00	<a href="#">x</a>	Jeff Anderson	611 Operations & Maintenance	Fish Mgmt - Equipment, Storage & Maintenance	876 Field Equipment & Maintenance	Equipment storage
11/27/2023	Amazon	\$ 9.98	<a href="#">x</a>	Patty Dronen	405 General Fund		706 Office Supplies	Roller for printer
11/27/2023	Onset Computer Corp	\$ 1,474.64	<a href="#">x</a>	Jeff Anderson	637 Monitoring & Research	Stream Monitoring	876 Field Equipment & Maintenance	HOBO Water level
11/28/2023	USPS	\$ 66.00	<a href="#">x</a>	Danielle Studer	405 General Fund		701 Postage	Postage Stamps
11/28/2023	Amazon	\$ 12.59	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	710 Office Expense Other	Frame for proclamation
11/28/2023	Arrowwood	\$ 628.34	<a href="#">x</a>	Joni Giese	626 Planning	Training	902 Meals and Lodging	MW conference lodging for staff
12/29/2023	Amazon	\$ 69.99	<a href="#">x</a>	Patty Dronen	405 General Fund		706 Office Supplies	Bankers Boxes
12/1/2023	Cub Foods	\$ 14.95	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	902 Meals and Lodging	water
12/4/2023	Group Greeting	\$ 5.41	<a href="#">x</a>	Patty Dronen	405 General Fund		710 Office Expense Other	Birthday card for Joni
12/4/2023	Bittner's Bakery	\$ 12.16	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	902 Meals and Lodging	Staff event
12/4/2023	Verizon	\$ 28.08	<a href="#">x</a>	Jeff Anderson	648 Regulation	Easement Inspections & violations	876 Field Equipment & Maintenance	Cell data
12/7/2023	Cub Foods	\$ 385.65	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	806 Program Costs-Miscellaneous	Volunteer Gift cards
12/7/2023	Cub Foods	\$ 333.70	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	806 Program Costs-Miscellaneous	Volunteer Gift cards
12/7/2023	DollarTree	\$ 48.77	<a href="#">x</a>	Patty Dronen	PLOC 831	PLOC Televis Outlet Pipe	902 Meals and Lodging	Sparkling cider - Bonding tour
12/9/2023	Microsoft	\$ 4.83	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	903 Dues/Fees/Subscriptions	Software
12/12/2023	Amazon	\$ 9.98	<a href="#">x</a>	Jeff Anderson	611 Operations & Maintenance	Equipment Storage & Maintenance	876 Field Equipment & Maintenance	Marine gas treatment
12/12/2023	Jimmy Johns	\$ 85.56	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	902 Meals and Lodging	Board Manager meal
12/12/2023	YSI	\$ 400.00	<a href="#">x</a>	Jeff Anderson	637 Monitoring & Research	Stream Monitoring	876 Field Equipment & Maintenance	pH Sensor kit
12/14/2023	Amazon	\$ 70.99	<a href="#">x</a>	Danielle Studer	611 Operations & Maintenance	Fish Mgmt - Equipment, Storage & Maintenance	876 Field Equipment & Maintenance	Rain boots - Danielle
12/15/2023	Shell Oil	\$ 63.16	<a href="#">x</a>	Zach Nagel	611 Operations & Maintenance	Fish Mgmt - Equipment, Storage & Maintenance	801 Gas, Mileage	Gas for truck
12/18/2023	Jimmy Johns	\$ 200.07	<a href="#">x</a>	Emily Dick	611 Operations & Maintenance	Farmer-led Council	902 Meals and Lodging	FLC meal
12/20/2023	PayPal - Canva	\$ 14.99	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	903 Dues/Fees/Subscriptions	software
12/23/2023	Adobe	\$ 111.57	<a href="#">x</a>	Patty Dronen	626 Planning	Planning and Program Development	903 Dues/Fees/Subscriptions	Software
	<b>TOTAL</b>	<b>\$ 4,311.41</b>						



<b>Subject</b>	2024 Permit Fee Schedule	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 6.4
<b>Prepared By</b>	Joni Giese, District Administrator	
<b>Attachments</b>	None	
<b>Proposed Action</b>	Approve 2024 Permit Fee Schedule	

**BACKGROUND**

When the PLSLWD first began administering permits, the Board of Managers determined that it is in the public interest to require applicants to pay the cost of administering, reviewing, and inspecting permit applications rather than using the District’s annual administrative levy for such purposes. The PLSLWD collects two types of permit fees for projects:

**Permit Fee Deposits:** The Permit Fee Deposit (PFD) is due at the time that the permit application is submitted. The PFD includes a \$10 application fee and an amount held in escrow to be used for the actual costs of permit review, field inspections, monitoring and related expenses. Note: In accordance with Rule K, PFDs are not charged to government agencies.

**Permit Securities:** A Permit Security is a cash security or an irrevocable renewable letter of credit to ensure completion of the permitted activity in accordance with the permit and the rules of the District. The Permit Security is due following Board approval of the application, prior to permit issuance, and can vary in amount based on project activities. Note: In accordance with Rule L, Permit Securities are required from the contractors of government agencies.

In Resolution 19-330, the Board adopted the most recent permit fee deposit and security schedule. This schedule is as listed below:

**PERMIT FEE DEPOSITS:**

ACTIVITY	PERMIT FEE DEPOSIT
<b>Stormwater Management</b> (new or reconstructed impervious surface):	\$1,000 per acre
<b>Erosion &amp; Sediment Control</b> (area of disturbance)	\$1,000 per acre
<b>Bridge or Culvert Crossing</b> of a Public Water, Prior Lake Outlet Channel, or other drainage way (only drainage ways with tributary area > 100 acres)	\$2,000 per crossing



<b>Drainage Alterations</b>	\$1,000
<b>Buffer Strips</b>	\$3,000

**PERMIT SECURITIES:**

<b>ACTIVITY</b>	<b>AMOUNT OF SECURITY</b>
<b>Land Disturbance</b> (area of disturbance)  <i><b>IN ADDITON: Land disturbance within 100 feet of a Public Ditch, Public Water or Prior Lake Outlet Channel (parallel distance in linear feet along waterbody)</b></i>	\$2,000 per acre  + \$10 per linear foot
<b>Stormwater Management</b> (acre-foot of volume/water quality storage required)	\$20,000 per acre-foot
<b>Floodplain Alteration</b> (cubic-foot of mitigation)	\$7.50 per cubic-foot
<b>Bridge or Culvert Crossing</b> of a Public Ditch, Public Water or Prior Lake Outlet Channel	\$5,000 per crossing

According to the District Rules, the permit fee schedule should be reviewed and approved annually. Any changes to the permit fee schedule require an official resolution by the board. As staff refines the permit process in 2024, it is possible that a new resolution will be brought forward later in the year for board consideration.

**ACTION ITEM**

District staff recommend that the current permit fee schedule continue on without changes. Staff is requesting that the Board approve the continuation of the existing permit fee schedule for 2024.



# PRIOR LAKE SPRING LAKE WATERSHED DISTRICT

## 6.5 2024 Regular Board Meeting Schedule

Third Tuesday of each month (unless otherwise noted below\*), starting at 6:00 PM in the Prior Lake City Hall Council Chambers.

- January 16
- February 20
- March 19
- April 16
- May 21
- June 18
- July 16
- August 20
- September 17
- October 15
- November 19
- December 17



## **6.6 2024 CAC Meeting Schedule**

Last Thursday every other month (\*unless noted below), 6:00-7:30 PM, Wagon Bridge Conference Room, Prior Lake City Hall

January 25

March 28

May 30

July 25

September 26

\*December 5



## 6.7 2024 Citizen Advisory Committee Members

The Prior Lake-Spring Lake Watershed District's (PLSLWD) Citizen Advisory Committee (CAC) consists of residents who provide input and recommendations to the Board on projects, reports, prioritization, and act as the primary interface for the Board to address the current issues of concern of the local citizens.

The CAC meets during odd numbered months on the last Thursday of the month at 6:00 pm at the Prior Lake City Hall (4646 Dakota St. SE, Prior Lake, MN 55372). Members serve three-year terms\*, must reside within the Watershed District, and are appointed by the PLSLWD Board of Managers.

### CURRENT MEMBERS

**Loren Hanson**

Term: 04/13/2021 – 03/31/2024

**Maureen Reeder**

Term: 05/11/2021 – 03/31/2024

**Ron Hoffmeyer**

Term: 05/10/2022 – 03/31/2025

**Curtis Witt**

Term: 05/10/2022 – 03/31/2025

**Anna Alswager**

Term: 11/14/2023 – 11/13/2026

**Amy Butani**

Term: 01/16/2024 – 01/15/2027

**Richard Schirber**

Term: 01/16/2024 – 01/15/2027

\*Members serve three-year terms beginning when membership is approved. For members appointed prior to 2023, terms end in March of the third year of membership.



# PRIOR LAKE SPRING LAKE WATERSHED DISTRICT

## 6.8 Selecting the 2024 Official Newspaper

The Board of Managers selects the Prior Lake American as its official District newspaper for 2024.



# PRIOR LAKE SPRING LAKE WATERSHED DISTRICT

## 6.9 Selecting the 2024 District Depository Bank

The Board of Managers selects Minnesota Municipal Money Market Fund (4M Fund) in Albertville, Minnesota, in association with US Bank, Prior Lake Branch, as its official District Depository Bank for 2024.



**Subject** | 2024 Board Officer Appointments

**Board Meeting Date** | January 16, 2024

**Item No:** 6.10

**Prepared By** | Joni Giese, District Administrator

**Attachments** | None

**Proposed Action** | Motion to approve Bruce Loney as President; Frank Boyles as Vice President; Ben Burnett as Secretary; and Christian Morkeberg as Treasurer for 2024.

## **Background**

Per the PLSLWD Bylaws:

- I. **Officers.** The Board annually will elect from among its members the following officers: president, vice president, secretary and treasurer. If any officer cannot complete his or her term of office, the Board immediately will elect from among its members an individual to complete the unexpired term. An officer's term as officer continues until a successor is elected or the officer resigns. The Board, by action at an official meeting, may appoint a manager as an officer pro tem in the event an officer is absent or unable to act, and action by that officer is required.
  - a. *President.* The president will:
    - i. preside at all meetings as chair of the Board.
    - ii. sign and deliver in the name of the District contracts, deeds, correspondence or other instruments pertaining to the business of the District;
    - iii. be a signatory to District documents if the treasurer or secretary is absent or disabled, to the same extent as the treasurer or secretary.
  - b. *Vice President.* The vice president will:
    - i. preside at meetings as chair in the absence of the president;
    - ii. be a signatory to District instruments and accounts if the president is absent or disabled, to the same extent as the president.
  - c. *Secretary.* The secretary will:
    - i. be a signatory to resolutions and other documents certifying and memorializing the proceedings of the District;
    - ii. maintain the records of the District;
    - iii. ensure that minutes of all Board meetings are recorded and made available to the Board in a timely manner and maintain a file of all approved minutes;

- d. *Treasurer.* The treasurer will:
- i. present a report at the monthly meeting of the Board of Managers that tracks each of the watershed district's funds and account balances;
  - ii. provide such other records as are necessary to inform the Board of the financial condition of the District.

### **Discussion**

The following is a list of board members serving as officers for 2023:

President:	Bruce Loney
Vice President:	Frank Boyles
Treasurer:	Christian Morkeberg
Secretary:	Ben Burnett

There are efficiencies and associated organization benefits to having officers remain in their current positions for another year.

### **Action Item**

Staff recommends Board approval of the following officer positions for 2024:

President:	Bruce Loney
Vice President:	Frank Boyles
Treasurer:	Christian Morkeberg
Secretary:	Ben Burnett





<b>Subject</b>	2024 Board Liaison Appointments	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 6.11
<b>Prepared By</b>	Joni Giese, District Administrator	
<b>Attachments</b>	2024 Board Liaison Appointments	
<b>Proposed Action</b>	Motion to approve the 2024 Board Liaison Appointments	

### **Background**

The Board assigns managers and/or staff to serve as liaisons to key Watershed district Partners on an annual basis. The roll of these liaisons is to provide information regarding District projects, programs and priorities to District partners and to share important updates from these organizations to the Board that may affect District interests.

Proposed listing of 2024 Board Liaison Appointments is attached.

### **Recommendation**

Staff recommends the Board of Managers approve the 2024 Board Liaison Appointments.

<b>PLSLWD LIAISON APPOINTMENTS 2024</b>		
<b>MEETING</b>	<b>WHEN</b>	<b>WHO</b>
City of Prior Lake	Council Meetings Second and Fourth Tuesday, 7:00 PM Council Chambers. Work Sessions before (5:00 PM).	Frank Boyles
City of Prior Lake Citizen Engagement Committee	CEC Third Thursday, 4:30 PM Prior Lake City Hall	PLSLWD staff (Patty Dronen) to monitor
City of Savage	Council Meetings First & Third Monday, 7:00 PM Council Chambers	vacant
Lower Minnesota Watershed District	Board of Managers Meeting Third Wednesday, 7:00 PM Carver County Govt. Center	Ben Burnett
SCALE – General Membership	Second Friday, 7:30 AM	Frank Boyles
SCALE – Executive Committee	First Friday, 7:30 AM	Frank Boyles
City of Shakopee	Council Meetings First & Third Tuesdays, 7:00 PM	Bruce Loney
SCALE – Service Delivery Committee	Second Monday 10:30 AM	Joni Giese
SCALE – Water Committee	Quarterly	Joni Giese
Scott SWCD	Supervisor Board Meeting Third Tuesday, 9:00 AM	Christian Morkeberg
Scott WMO Planning Commission	Commission Meeting Fourth Monday, 4:00 PM	Bruce Loney
Spring Lake Township	Board Meeting Second Thursday, 7:00 PM Spring Lake Township, Town Hall	Christian Morkeberg
SMSC	As needed	Bruce Loney
CAC	Last Thursday, 6:30 PM, City Hall	Matt Tofanelli PLSLWD Staff (Danielle Studer)
Sand Creek Township	First Thursday, 7:00 PM Jordan City Hall	Christian Morkeberg
PLOC	Varies/ Prior Lake City Hall	Bruce Loney
Farmer-led Council	Varies – generally quarterly	Bruce Loney
Scott County	Commissioners Board Meeting First and Third Tuesdays at 9:00 AM Scott County Govt. Center	Ben Burnett
Metro Watersheds (Gathering of Minnesota Watersheds, Region 3)	Quarterly	Frank Boyles Joni Giese



<b>Subject</b>	Abdo Professional Services Agreement: 2023 Audit	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 6.12
<b>Prepared By</b>	Joni Giese, District Administrator	
<b>Attachments</b>	Agreement between Prior Lake-Spring Lake Watershed District and Abdo for Audit Services for Year Ended December 31, 2023.	
<b>Proposed Action</b>	Motion to approve the Agreement between Prior Lake-Spring Lake Watershed District and Abdo for Audit Services for Year Ended December 31, 2023.	

### **Background**

Pursuant to *Minnesota Statutes section 103B.227, subdivision 5*, PLSLWD issued a biennial notice soliciting letters of interest for professional services (District Engineer, Audit, Accounting, and Legal Counsel) for 2024 and 2025. The request was sent to professional firms who might be interested on September 18. The District also noticed the request for two weeks in the Prior Lake American newspaper, with submittals due on October 9, 2023.

### **Discussion**

Staff reviewed and evaluated the submittals and recommended Abdo to provide audit services to PLSLWD for 2024 and 2025.

On November 14, 2023, the Board authorized the District Administrator to negotiate professional service agreements with firms as recommended by staff for District Engineer, legal counsel, accountant, and auditor for 2024 and 2025.

Staff has worked with Abdo to develop the attached agreement for Board review and approval. While Abdo has been selected to provide audit services for a two year period, the District will be entering into an annual agreement with Abdo to reflect Abdo's annual audit engagement letter incorporated into the agreement as Exhibit A.

### **Recommendation**

Staff recommends Board approval of the Agreement between Prior Lake-Spring Lake Watershed District and Abdo for Audit Services for Year Ended December 31, 2023.

**AGREEMENT BETWEEN  
PRIOR LAKE - SPRING LAKE WATERSHED DISTRICT and  
ABDO**

**Audit Services for Year Ended December 31, 2023**

This agreement is entered into by the Prior Lake - Spring Lake Watershed District, a public body with powers set forth at Minnesota Statutes chapters 103B and 103D (PLSLWD), and Abdo, a Minnesota corporation (CONSULTANT). In consideration of the terms and conditions set forth herein and the mutual exchange of consideration, the sufficiency of which hereby is acknowledged, PLSLWD and CONSULTANT agree as follows:

1. Scope of Work

CONSULTANT will perform the work described in the December 13, 2023, Engagement letter attached as Exhibit A (the "Services"). Exhibit A is incorporated into this agreement and its terms and schedules are binding on CONSULTANT as a term hereof. PLSLWD, at its discretion, in writing may at any time suspend work or amend the Services to delete any task or portion thereof. Authorized work by CONSULTANT on a task deleted or modified by PLSLWD will be compensated in accordance with paragraphs 5 and 6. Time is of the essence in the performance of the Services.

2. Independent Contractor

CONSULTANT is an independent contractor under this agreement. CONSULTANT will select the means, method and manner of performing the Services. Nothing herein contained is intended or is to be construed to constitute CONSULTANT as the agent, representative or employee of PLSLWD in any manner. Personnel performing the Services on behalf of CONSULTANT or a subcontractor will not be considered employees of PLSLWD and will not be entitled to any compensation, rights or benefits of any kind from PLSLWD.

3. Subcontract and Assignment

CONSULTANT will not assign, subcontract or transfer any obligation or interest in this agreement or any of the Services without the written consent of PLSLWD and pursuant to any conditions included in that consent. PLSLWD consent to any subcontracting does not relieve CONSULTANT of its responsibility to perform the Services or any part thereof, nor in any respect its duty of care, insurance obligations, or duty to hold harmless, defend and indemnify under this agreement.

4. Duty of Care; Indemnification

CONSULTANT will perform the Services with due care and in accordance with national standards of professional care. CONSULTANT will defend PLSLWD, its board members, employees and agents from any and all actions, costs, damages and liabilities of any nature arising from; and hold each such party harmless, and indemnify it, to the extent due to: (a) CONSULTANT's negligent or otherwise wrongful act or omission, or breach of a specific contractual duty; or (b) a subcontractor's negligent or otherwise wrongful act or omission, or breach of a specific contractual duty owed by CONSULTANT to PLSLWD. For any claim subject to this paragraph by an employee of CONSULTANT or a subcontractor, the indemnification obligation is not limited by

a limitation on the amount or type of damages, compensation or benefits payable by or for CONSULTANT or a subcontractor under workers' compensation acts, disability acts or other employee benefit acts.

5. Compensation

PLSLWD will compensate CONSULTANT for the Services on a lump-sum basis and reimburse for direct costs in accordance with Exhibit A. Invoices will be submitted monthly for work performed during the preceding month. Payment for undisputed work will be due within 30 days of receipt of invoice. Direct costs not specified in Exhibit A will not be reimbursed except with prior written approval of the PLSLWD administrator. Subcontractor fees and subcontractor direct costs, as incurred by CONSULTANT, will be reimbursed by PLSLWD at the rate specified in PLSLWD's written approval of the subcontract.

The total payment for the Services will not exceed \$14,000. Total payment in each respect means all sums to be paid whatsoever, including but not limited to fees and reimbursement of direct costs and subcontract costs, whether specified in this agreement or subsequently authorized by the administrator.

CONSULTANT will maintain all records pertaining to fees or costs incurred in connection with the Services for six years from the date of completion of the Services. CONSULTANT agrees that any authorized PLSLWD representative or the state auditor may have access to and the right to examine, audit and copy any such records during normal business hours.

6. Termination; Continuation of Obligations

This agreement is effective when fully executed by the parties and will remain in force until September 30, 2024, unless earlier terminated as set forth herein.

PLSLWD may terminate this agreement at its convenience, by a written termination notice stating specifically what prior authorized or additional tasks or services it requires CONSULTANT to complete. CONSULTANT will receive full compensation for all authorized work performed, except that CONSULTANT will not be compensated for any part performance of a specified task or service if termination is due to CONSULTANT's breach of this agreement.

Insurance obligations; duty of care; obligations to defend, indemnify and hold harmless; and document-retention requirements will survive the completion of the Services and the term of this agreement.

7. No Waiver

The failure of either party to insist on the strict performance by the other party of any provision or obligation under this agreement, or to exercise any option, remedy or right herein, will not waive or relinquish such party's rights in the future to insist on strict performance of any provision, condition or obligation, all of which will remain in full force and affect. The waiver of either party on one or more occasion of any provision or obligation of this agreement will not be construed as a waiver of any subsequent breach of the same provision or obligation, and the consent or approval by either party to or of any act by the other requiring consent or approval will not render unnecessary such party's consent or approval to any subsequent similar act by the other.

Notwithstanding any other term of this agreement, PLSLWD waives no immunity in tort. This agreement creates no right in and waives no immunity, defense or liability limit with respect to any third party.

#### 8. Insurance

At all times during the term of this Agreement, CONSULTANT will have and keep in force the following insurance coverages:

- A. General: \$1.5 million, each occurrence and aggregate, covering CONSULTANT's ongoing and completed operations on an occurrence basis and including contractual liability.
- B. Professional liability: \$1.5 million each claim and aggregate. Any deductible will be CONSULTANT's sole responsibility and may not exceed \$50,000. Coverage may be on a claims-made basis, in which case CONSULTANT must maintain the policy for, or obtain extended reporting period coverage extending, at least three (3) years from completion of the Services.
- C. Automobile liability: \$1.5 million combined single limit each occurrence coverage for bodily injury and property damage covering all vehicles on an occurrence basis.
- D. Workers' compensation: in accordance with legal requirements applicable to CONSULTANT.

CONSULTANT will not commence work until it has filed with PLSLWD a certificate of insurance documenting the required coverages and naming PLSLWD as an additional insured for general liability, along with a copy of the additional insured endorsement establishing coverage for CONSULTANT's ongoing and completed operations as primary coverage on a noncontributory basis. The certificate will name PLSLWD as a holder and will state that PLSLWD will receive written notice before cancellation, nonrenewal or a change in the limit of any described policy under the same terms as CONSULTANT.

#### 9. Compliance with Laws

CONSULTANT will comply with all applicable laws and requirements of federal, state, local and other governmental units in connection with performing the Services and will procure all licenses, permits and other rights necessary to perform the Services.

In performing the Services, CONSULTANT will ensure that no person is excluded from full employment rights or participation in or the benefits of any program, service or activity on the ground of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status or national origin; and no person who is protected by applicable federal or state laws, rules or regulations against discrimination otherwise will be subjected to discrimination.

#### 10. Data and Information

All data and information obtained or generated by CONSULTANT in performing the Services, including documents in hard and electronic copy, software, and all other forms in which the data and information are contained, documented or memorialized, are the property of PLSLWD. CONSULTANT hereby assigns and transfers to PLSLWD all right, title and interest in: (a) its copyright, if any, in the materials; any registrations and copyright applications relating to the materials; and any copyright renewals and extensions; (b) all works based on, derived from or incorporating the materials; and (c) all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and all causes of action in law or equity for past, present or future infringement based on the copyrights. CONSULTANT agrees to execute all papers and to perform such other proper acts as PLSLWD may deem necessary to secure for PLSLWD or its assignee the rights herein assigned.

PLSLWD may immediately inspect, copy or take possession of any materials on written request to CONSULTANT. On termination of the agreement, CONSULTANT may maintain a copy of some or all of the materials except for any materials designated by PLSLWD as confidential or non-public under applicable law, a copy of which may be maintained by CONSULTANT only pursuant to written agreement with PLSLWD specifying terms.

#### 11. Data Practices; Confidentiality

If CONSULTANT receives a request for data pursuant to the Data Practices Act, Minnesota Statutes chapter 13 (DPA), that may encompass data (as that term is defined in the DPA) CONSULTANT possesses or has created as a result of this agreement, it will inform PLSLWD immediately and transmit a copy of the request. If the request is addressed to PLSLWD, CONSULTANT will not provide any information or documents, but will direct the inquiry to PLSLWD. If the request is addressed to CONSULTANT, CONSULTANT will be responsible to determine whether it is legally required to respond to the request and otherwise what its legal obligations are, but will notify and consult with PLSLWD and its legal counsel before replying. Nothing in the preceding sentence supersedes CONSULTANT's obligations under this agreement with respect to protection of PLSLWD data, property rights in data or confidentiality. Nothing in this section constitutes a determination that CONSULTANT is performing a governmental function within the meaning of Minnesota Statutes section 13.05, subdivision 11, or otherwise expands the applicability of the DPA beyond its scope under governing law.

CONSULTANT agrees that it will not disclose and will hold in confidence any and all proprietary materials owned or possessed by PLSLWD and so denominated by PLSLWD. CONSULTANT will not use any such materials for any purpose other than performance of the Services without PLSLWD written consent. This restriction does not apply to materials already possessed by CONSULTANT or that CONSULTANT received on a non-confidential basis from PLSLWD or another party. Consistent with the terms of this section 11 regarding use and protection of confidential and proprietary information, CONSULTANT retains a nonexclusive license to use the materials and may publish or use the materials in its professional activities. Any CONSULTANT duty of care under this agreement does not extend to any party other than PLSLWD or to any use of the materials by PLSLWD other than for the purpose(s) for which CONSULTANT is compensated under this agreement.

12. PLSLWD Property

All property furnished to or for the use of CONSULTANT or a subcontractor by PLSLWD and not fully used in the performance of the Services, including but not limited to equipment, supplies, materials and data, both hard copy and electronic, will remain the property of PLSLWD and returned to PLSLWD at the conclusion of the performance of the Services, or sooner if requested by PLSLWD. CONSULTANT further agrees that any proprietary materials are the exclusive property of PLSLWD and will assert no right, title or interest in the materials. CONSULTANT will not disseminate, transfer or dispose of any proprietary materials to any other person or entity unless specifically authorized in writing by PLSLWD.

Any property including but not limited to materials supplied to CONSULTANT by PLSLWD or deriving from PLSLWD is supplied to and accepted by CONSULTANT as without representation or warranty including but not limited to a warranty of fitness, merchantability, accuracy or completeness. However, CONSULTANT's duty of professional care under paragraph 4, above, does not extend to materials provided to CONSULTANT by PLSLWD or any portion of the Services that is inaccurate or incomplete as the result of CONSULTANT's reasonable reliance on those materials.

13. Notices

Any written communication required under this agreement to be provided in writing will be directed to the other party as follows:

To PLSLWD:

Administrator  
Prior Lake - Spring Lake Watershed District  
4646 Dakota Street SE  
Prior Lake MN 55372

To CONSULTANT:

Andrew Berg, CPA  
Abdo  
5201 Eden Avenue, Suite 250  
Edina, MN 55436

Either of the above individuals may in writing designate another individual to receive communications under this agreement.

14. Choice of Law; Venue

This agreement will be construed under and governed by the laws of the State of Minnesota. Venue for any action will lie in Scott County.

15. Whole Agreement

The entire agreement between the two parties is contained herein and this agreement supersedes all oral agreements and negotiations relating to the subject matter hereof. Any



modification of this agreement is valid only when reduced to writing as an amendment to the agreement and signed by the parties hereto. PLSLWD may amend this agreement only by action of the Board of Managers acting as a body.

**IN WITNESS WHEREOF**, intending to be legally bound, the parties hereto execute and deliver this agreement.

**CONSULTANT**

By \_\_\_\_\_

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

Its \_\_\_\_\_

**PRIOR LAKE -SPRING LAKE WATERSHED DISTRICT**

By \_\_\_\_\_

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

Its \_\_\_\_\_

**Exhibit A**  
**Engagement Letter**



December 13, 2023

Board of Directors  
Prior Lake-Spring Lake Watershed District  
Prior Lake, Minnesota

We are pleased to confirm our understanding of the services we are to provide the Prior Lake-Spring Lake Watershed District (the District) for the year ended December 31, 2023.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, each major fund and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 District'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 appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of Funding Progress, Employer's Share of Net Pension Liability and Employer's Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- Combining and Individual Fund Financial Statements and Schedules

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. .

- Introductory Section

#### *Edina Office*

5201 Eden Avenue, Ste 250  
Edina, MN 55436  
P 952.835.9090

#### *Mankato Office*

100 Warren Street, Ste 600  
Mankato, MN 56001  
P 507.625.2727

#### *Scottsdale Office*

14500 N Northsight Blvd, Ste 233  
Scottsdale, AZ 85260  
P 480.864.5579

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; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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.

### **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 government or to acts by management or employees acting on behalf of the government.

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 District'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, tests of the physical existence of certain assets, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.



### **Audit Procedures-Internal Control**

We will obtain an understanding of the government and its environment, including the system of internal control, 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.

We have identified the following significant risk(s) of material misstatement as part of our audit planning, however, it should be noted that our planning procedures are not concluded and therefore additions or modifications may be made to the below significant risks:

- Management Override of Controls
- Improper Revenue Recognition

### **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 District'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.

### **Other Services**

We will also prepare a general ledger trial balance for use during the audit. Our preparation of the trial balance will be limited to formatting information in the general ledger into a working trial balance. As part of the audit, we will assist with preparation of your financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will accumulate capital asset information and calculate the depreciation based on lives and methods determined by management. We will also assist with entries for full accrual basis of accounting for long-term assets, long-term liabilities, and related deferred inflows of resources, deferred outflows of resources, revenues and expenses from information provided by management. We will also assist with year end accrual entries from information provided by management.

We will perform the above services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

We may advise management about appropriate accounting principles and their application, and we may assist you in the assembly of your financial statements. However, management has the final responsibility for the selection and application of accounting policies and the fair presentation of financial statements that reflect the nature and operations of the District. 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.



## 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 accounting principles generally accepted in the United States of America, with the oversight of those charged with governance.

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 government 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 government 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 government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations and for informing us of any events encountered subsequent to the period under audit that may require adjustment to or disclosure in the financial statements.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Abdo, will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). 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 GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (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.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.



**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 Abdo 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 any Regulator 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 Abdo personnel. Furthermore, upon request, we may provide copies of selected audit documentation to any Regulator or its designee. The Regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Andrew K. Berg, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit in March, 2024 and to issue our reports no later than June 30, 2024.

Our fee for these services will be as follows:

Audit	\$ <u>14,000</u>
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There have been several new accounting standards issued in recent years which will begin taking effect in the current and following years. These new standards may require substantial changes to your financial statements. We will review with you during the planning stage and if changes are substantial and you would like our firm to complete this work we will agree at that time to a separate fee and engagement to complete that work.

In an effort to reduce environmental impact, you will receive printable, downloadable PDFs of your report. To receive one (1) paper report, you will be charged \$150 for a set-up fee. Additional paper copies will be charged at the rate of \$50 per report.

You may also be billed for travel and other out-of-pocket costs such as report production, typing, postage, etc. if not included in the fee listed above. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Amounts not paid within 30 days from the invoice date will be subject to a late payment charge of .66 percent per month (8 percent per year). If for any reason the account is turned over to collections, additional fees will be added to cover collections cost. In accordance with our Firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee 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.



Except in the event of your failure to make a payment when due, in the event of a dispute related in any way to our services, our Firm and you agree to discuss the dispute and, if necessary, to promptly mediate in a good faith effort to resolve. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorneys' fees and mediation cost. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation solely to determine the prevailing party's identify for purposes of the award of attorneys' fees. In the event you fail to make a payment for services or to reimburse for costs advanced by the Firm on your behalf, the Firm reserves the right to take all legally permissible action, including commencement of litigation in lieu of mediation, and shall have the right to collect its costs, including reasonable attorney's fees, incurred in any such collection or litigation activities.

The District acknowledges and agrees that Abdo's (the Contractor) workforce, including employees assigned to staff the engagement provided for under this Agreement, constitutes an important and vital aspect of Contractor's business. In recognition of the foregoing and the harm that Contractor will suffer in the event of the loss of one or more of its employees, the District agrees that during the Term of this Agreement and for a period of six (6) months following the termination of this Agreement for any reason (the "Restrictive Time Period") the District shall not, directly or indirectly, on behalf of itself or any person, firm, corporation, association or other entity, (a) recruit, solicit, or assist anyone else in the recruitment or solicitation of, any of Contractor's employees to terminate their employment with Contractor and to become employed by or otherwise engaged with or by the District in any capacity independent of Contractor; (b) hire or engage any Contractor employee; or (c) otherwise encourage or induce any of Contractor's employees to terminate their employment with Contractor (collectively the "Contractor Employee Restrictive Covenant").

Notwithstanding the foregoing, Contractor may (but shall not be obligated to) consent to the District's recruitment, solicitation, employment or other engagement of a Contractor employee otherwise prohibited by this paragraph provided that (a) the District discloses to Contractor in writing its desire to recruit, solicit, employ or otherwise engage the Contractor employee independent of Contractor before engaging with the Contractor employee regarding any such potential relationship; (b) the District agrees to pay Contractor a Restrictive Covenant Exception Fee (as hereafter defined) in the event the Contractor employee becomes employed by or otherwise engaged with the District independent of Contractor; and (c) Contractor provides written consent to the District to engage with the Contractor employee regarding any such relationship. For purposes of this Agreement, the Restrictive Covenant Exception Fee shall be the greater of: (i) 200% of the annual contracted cost of Contractor's services under this Agreement in addition to the annual contracted cost paid or due Contractor hereunder; or (ii) 200% of the fees paid or due Contractor for services provided under this Agreement during the twelve (12) month period immediately prior to the termination of this Agreement or, in the event the Agreement has not been terminated, during the twelve (12) month period immediately prior to Contractor's provision of written consent to the District to engage in the recruitment, solicitation, employment or other engagement of a Contractor employee otherwise prohibited by this paragraph.





In the event Contractor is unwilling to consent to the District's recruitment, solicitation, employment or other engagement of a Contractor employee otherwise prohibited by this paragraph and/or agree on the District's payment of a Restrictive Covenant Exception Fee, then the Contractor Employee Restrictive Covenant shall remain in full force and effect. If the District breaches or threatens to breach the Contractor Employee Restrictive Covenant, Contractor shall be entitled to injunctive and other equitable relief from a court of competent jurisdiction restraining the District's breach of said covenant in addition to such other remedies as may be available to Contractor in law and equity, as District as the recovery from the District of Contractor's reasonable attorneys' fees and costs incurred in any such legal action. The District also acknowledges, understands, and agrees that although the harm Contractor will suffer as a result of the District's breach of the Contractor Employee Restrictive Covenant cannot be or is very difficult to accurately estimate, the sum which is the greater of (i) 200% of the average annual fees paid by the District to Contractor for services under this Agreement during the three-year period preceding the breach, or (b) 200% of the employee's average annual compensation during the three-year period preceding the breach represents and constitutes a reasonable estimation of the damages to Contractor caused by the District's breach (the "Liquidated Damages Amount"). Therefore, at its sole election, Contractor may elect to enforce and compel the District's compliance with the Contractor Employee Restrictive Covenant or to seek an award from the District of the Liquidated Damages Amount, together with the reasonable attorneys' fees and costs incurred by Contractor in connection with any legal action to obtain such relief.

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the District in the performance of our services. The District shall not, during the term of this agreement and for the twelve months following its termination for any reason, without the prior written consent of the Firm, solicit for employment, or hire any current or former partner or professional employee of the Firm, or any affiliate thereof, if such partner or professional employee has been involved in the performance of any audit, review, or attest service for or relating to the District at any time during the then current fiscal year of the District up to and including the date of the audit report for that year, or in the twelve months preceding the audit report date for the immediately preceding year.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will utilize a portal which is a collaborative, virtual workspace in a protected, online environment. The portal permits real-time collaboration across geographic boundaries and time zones and allows us and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use the portal, you may be required by the provider of the portal to execute a client portal agreement and agree to be bound by the terms, conditions, and limitations of such agreement. You agree that we have no responsibility for the activities of the portal and agree to indemnify and hold us harmless with respect to any and all claims arising from your misuse of the portal.

We are not a host for any of your information. You are responsible for maintaining your own copy of this information. We do not provide back-up services for any of your data or records, including information we provide to you. Portals are utilized solely as a method of transferring data and are not intended for the storage of your information. Information on a portal may be deleted by us.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal, you agree that we are not responsible for any liability, including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any damages arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.



State, federal and foreign regulators may request access to or copies of certain workpapers pursuant to applicable legal or regulatory requirements. Requests also may arise with respect to peer review, an ethics investigation, the sale of your organization, or the sale of our accounting practice. If requested, access to such workpapers will be provided under the supervision of firm personnel. Regulators may request copies of selected workpapers to distribute the copies or information contained therein to others, including other governmental agencies.

If we receive a request for copies of selected workpapers, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such request as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit the disclosure of information. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

We have the right to withdraw from this engagement, at our discretion, if you do not provide us with any information we request in a timely manner; refuse to cooperate with our reasonable requests or misrepresent any facts; we have reason to believe you may have engaged, or may be planning to engage, in conduct that is unethical and/or unlawful; you engage in conduct directed toward or affecting firm personnel that is disrespectful, inappropriate, and/or potentially unlawful; or we determine that continuing the engagement is not in the best interests of the firm or threatens legal or reputational harm to the firm. In the event of withdrawal under any of these circumstances, such withdrawal will release us from any obligation to complete your report and will constitute completion of our engagement.

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

## Reporting

We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Board of the District. We cannot provide assurance that an unmodified opinion will be rendered. 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. You agree to include our audit report in any document containing financial statements that indicate that such financial statements have been audited by us and, prior to inclusion of our audit report, to ask our permission to do so.



We appreciate the opportunity to be of service to the District 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 electronically sign this letter.

Sincerely,



**Abdo**

**RESPONSE:**

This letter correctly sets forth the understanding of the **Prior Lake-Spring Lake Watershed District**.

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

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





**Subject** | EOR Master Service Consulting Agreement

**Board Meeting Date** | January 16, 2024

**Item No:** 6.13

**Prepared By** | Joni Giese, District Administrator

**Attachments** | EOR Master Services Consulting Agreement

**Proposed Action** | Motion to approve the Master Services Consulting Agreement between Prior Lake-Spring Lake Watershed District and EOR for the period January 1, 2024 through December 31, 2025.

### **Background**

Pursuant to *Minnesota Statutes section 103B.227, subdivision 5*, PLSLWD issued a biennial notice soliciting letters of interest for professional services (District Engineer, Audit, Accounting, and Legal Counsel) for 2024 and 2025. The request was sent to professional firms who might be interested on September 18. The District also noticed the request for two weeks in the Prior Lake American newspaper, with submittals due on October 9, 2023.

### **Discussion**

Staff reviewed and evaluated the submittals and recommended EOR to provide district engineering services to PLSLWD for 2024 and 2025.

On November 14, 2023, the Board authorized the District Administrator to negotiate professional service agreements with firms as recommended by staff for District Engineer, legal counsel, accountant, and auditor for 2024 and 2025.

Staff has worked with EOR to update the attached master services consulting agreement for Board review and approval.

### **Recommendation**

Staff recommends Board approval of the Master Services Consulting Agreement between Prior Lake-Spring Lake Watershed District and EOR for the period January 1, 2024 through December 31, 2025.

## **MASTER SERVICES CONSULTING AGREEMENT**

This Master Services Agreement (Agreement) outlines the terms and conditions under which Emmons & Olivier Resources, Inc. (EOR), will provide water resource engineering and consulting services to Prior Lake-Spring Lake Watershed District (PLSLWD) for the period January 1, 2024 through December 31, 2025.

1. **Scope of Services.** The parties to this Agreement intend that the terms of this Agreement will apply to a range of different services as required by PLSLWD. Services in connection with any specific project and changes in a previously agreed scope of services shall be undertaken only after a written Authorization from PLSLWD. EOR is solely responsible for determining the means and methods of performing the services described in any Authorization and shall have complete responsibility for ensuring the qualifications of all personnel (including subcontractor personnel) performing services described in any Authorization.

2. **Standard of Care.** In performing these services, EOR shall assign qualified personnel and perform its services with the skill, diligence, and quality control measures ordinarily exercised by a recognized professional environmental engineering and consulting firm performing services of a similar nature at the same time and in the same geographical area. EOR acknowledges that PLSLWD will be relying in part upon the accuracy, competence, and full performance of EOR's services.

3. **Compliance with Laws and Facility Safety Rules.** EOR and any subcontractors retained by EOR shall comply with applicable laws, ordinances, statutes, rules, and regulations of federal, state, local and other governmental units in effect at the time the services are performed in connection with performing the Services and will procure all licenses, permits and other rights necessary to perform the Services. In addition, when at facilities owned by PLSLWD, EOR and its subcontractor shall comply with the facility's personnel safety rules and applicable conditions or requirements of any permit or government authorization, order, or directive pertaining to activities at that facility. Provided, however, that any facility specific requirements will be made available to EOR prior to performing the services.

In performing the Services, EOR will ensure that no person is excluded from full employment rights or participation in or the benefits of any program, service or activity on the ground of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status or national origin; and no person who is protected by applicable federal or state laws, rules or regulations against discrimination otherwise will be subjected to discrimination.

4. **Rates and Fees.** PLSLWD will compensate EOR for services on an hourly basis and reimburse for direct costs in accordance with Attachment A to this Agreement unless the Authorization specifies a lump sum price or the hourly rates are specifically modified in the Scope of Services. The schedule of fees set forth in Attachment A is subject to revisions annually, subject to approval by the PLSLWD Board. Direct costs not specified in Exhibit A will not be reimbursed except with prior written approval of the PLSLWD administrator. Subcontractor fees and subcontractor direct costs, as incurred by CONSULTANT, will be reimbursed by PLSLWD at the rate specified in PLSLWD's written approval of the subcontract with mark-up to cover overhead expenses per Attachment A.

EOR will provide a Scope of Services for projects, as assigned, for line items appearing on their invoice billing summary, with the exception of the 509 Implementation Engineering category and the PLOC JPA Engineering Assistance category. The Scope of Services will be signed by an authorized representative of both the District and EOR. The total cost invoiced for the project must not exceed the amount listed in the Scope of Services. Any change to the project team, tasks, deliverables, timeline, or total cost will require a signed amendment/update to the Scope of Services.

The District Administrator will work with the District Engineer to create a budget for the 509 Implementation Engineering category and the PLOC JPA Engineering Assistance category. When EOR is within 25% of the budgeted amount for any of the line items or 509 Implementation Engineering category or the PLOC JPA Engineering Assistance category, EOR will discuss budget needs with the District Administrator who will determine if a request will be made to the Board of Managers for additional funding.

5. Payment for Services Rendered Pursuant to an Authorization. Invoices will be submitted monthly for work performed during the preceding month. Payment by PLSLWD for properly rendered services shall be due within 45 days of receipt of an invoice. If the invoice is not paid within forty-five (45) days after invoice date, Client will also pay a finance charge thereon of 1.5 percent or the maximum rate allowed by law, whichever is less, for each month thereafter or portion thereof that an invoice remains unpaid. If PLSLWD objects to any portion of an invoice, PLSLWD shall notify EOR of the objection and shall work diligently, and in good faith, with EOR to resolve any objections.

6. Ownership and Maintenance of Documents. Except as provided in Paragraph 7, EOR's notes, reports, data, studies, drawings, plans, specifications, documents, tests, and other information arising from the services performed by EOR for the PLSLWD (collectively known as the "Documents") are and shall become the property of the PLSLWD, except where by law or precedent these documents become public property. The PLSLWD shall have the full right to use such Documents for any public purpose.

EOR will maintain all records pertaining to fees or costs incurred in connection with the services for six years from the date of completion of the services. EOR agrees that any authorized PLSLWD representative or the State Auditor may have access to and the right to examine, audit, and copy any such records during normal business hours.

7. Confidentiality. With regard to Confidential Information:

(a) EOR shall keep all Confidential Information in a secure location and shall not disclose any Confidential Information to any party except as authorized by the terms of this Agreement, or specifically authorized in writing by PLSLWD, or as required by a subpoena, warrant or court order.

(b) EOR shall not use Confidential Information for any purpose except to perform services pursuant to the terms of this Agreement.

(c) EOR shall immediately notify PLSLWD, in writing, upon receipt of a request for disclosure of any Confidential Information.

(d) EOR shall comply with the Minnesota Data Practices Act (MDPA) as regards all PLSLWD data in its possession. If EOR receives a request for data pursuant to the Data Practices Act, Minnesota Statutes chapter 13 (DPA), that may encompass data (as that term is defined in the DPA) EOR possesses or has created as a result of this agreement, it will inform PLSLWD immediately and transmit a copy of the request. If the request is addressed to PLSLWD, EOR will not provide any information or documents, but will direct the inquiry to PLSLWD. If the request is addressed to EOR, EOR will be responsible to determine whether it is legally required to respond to the request and otherwise what its legal obligations are, but will notify and consult with PLSLWD and its legal counsel before replying. Nothing in the preceding sentence supersedes EOR's obligations under this agreement with respect to protection of PLSLWD data, property rights in data or confidentiality. Nothing in this section constitutes a determination that EOR is performing a governmental function within the meaning of Minnesota Statutes section 13.05, subdivision 11, or otherwise expands the applicability of the DPA beyond its scope under governing law.

8. Assignment. Neither party shall assign, or otherwise transfer, its rights or obligations hereunder without the written consent of the other party.

9. Indemnity. EOR agrees to indemnify and hold PLSLWD harmless from any claim, cause of action, demand or other liability of any nature or kind (including the costs of reasonable attorney's fees and expert witness fees) arising out of and to the extent of any negligent act or omission of EOR or any subcontractor of EOR in connection with work performed under the terms of this Agreement, or any other act or omission that would subject EOR to liability in law or equity.

The Prior Lake-Spring Lake Watershed District agrees to indemnify and hold harmless from any claim, cause of action, demand or other liability of any nature or kind (including the costs of reasonable attorney's fees and expert witness fees) arising out of and to the extent of any negligent act or omission of the PLSLWD in connection with work performed under the terms of this Agreement, or any other act or omission that would subject the PLSLWD to liability in law or equity. Notwithstanding any other term of this Agreement, the PLSLWD waives no immunity in tort. This Agreement creates no right in and waives no immunity, defense, or liability limit with respect to any third party.

10. Insurance. During the terms of this Agreement, EOR shall maintain, at its expense, worker's compensation insurance, liability insurance covering bodily injury and property damage, and other insurance with the minimum coverage listed below. These policies are to be issued in the broadest form commercially available under standard terms and conditions and shall be underwritten by insurers with adequate financial resources.

<u>Cover Type</u>	<u>Coverage Limits</u>
Worker's Compensation	Statutory
Automobile Liability Insurance	\$1,000,000 combined single limit
CGL	\$2,000,000 aggregate and \$1,000,000 each occurrence
Excess liability	\$5,000,000 each occurrence
Professional Liability	\$2,000,000 per claim and in the aggregate

Before commencing services and upon request by PLSLWD, EOR shall submit a certificate of insurance and endorsements evidencing compliance with these requirements. The certificate will name the PLSLWD as a holder and will state that the PLSLWD will receive written notice before cancellation, non-renewal, or a material change in any described policy under the same terms as EOR. The PLSLWD shall be named as an additional insured with primary coverage under the CGL and excess liability policies.

11. Nature of Relationship. EOR is an independent contractor and will not act as an agent or employee of PLSLWD for any purpose. EOR shall be solely responsible for its employees, subcontractors, and agents and for their compensation, benefits, contributions, insurance, and taxes, if any. EOR shall not have any right or authority to make any representations or to assume or create any obligation, expressed or implied, on behalf of the PLSLWD.

12. Representatives. Mr. Brett Emmons and Mr. Carl Almer will be the representatives for EOR for the purpose of this Agreement. Mr. Carl Almer shall function as the District Engineer for the PLSLWD. EOR may not designate another person with lesser qualifications and experience for this role without the prior consent of the PLSLWD. Joni Giese, District Administrator, will be the representative for the PLSLWD for the purposes of this Agreement.

13. Termination. This Agreement shall be terminable at will by either party upon 60 days written notice to the other party via certified mail at addresses below.

Prior Lake-Spring Lake Watershed District  
4646 Dakota Street SE  
Prior Lake, MN 55372

Emmons & Olivier Resources, Inc.  
1919 University Avenue W, Suite 300  
Saint Paul, MN 55104

Termination of this Agreement does not relieve either party of its obligations with regard to Authorizations or work orders executed prior to the time of termination. Insurance obligations; warranties; obligations to defend, indemnify and hold harmless; and document retention requirements will survive termination.

14. Governing Law. This Agreement is made in the State of Minnesota and shall be governed by its laws. Both PLSLWD and EOR wish to avoid disputes relating to or arising out of this Agreement. In the event of any dispute or perceived problem, each pledges to give notice to the other party and to first seek an amicable resolution. All disputes arising out of this Agreement shall be settled by arbitration to be held in Minneapolis, MN, in accordance, to the extent feasible, with the then current construction industry standards of the American Arbitration Association using an arbitration procedure or services acceptable to both parties. In any action arising from the performance of the Services or breach of this Agreement, the prevailing party shall receive, in addition to other compensation awarded, its reasonable costs and attorney's fees.

15. Entire Agreement. This Agreement including any attachments incorporated constitutes the entire understanding between the PLSLWD and EOR. Any modifications to this Agreement shall be in writing and signed by authorized representatives of the parties.



ON BEHALF OF  
PRIOR LAKE-SPRING LAKE  
WATERSHED DISTRICT

ON BEHALF OF  
EMMONS & OLIVIER RESOURCES, INC.

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

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

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

## ATTACHMENT A – EOR 2024 HOURLY FEE SCHEDULE

<u>Classification</u>	<u>Hourly Rate</u> <sup>(1, 2)</sup>
Professional 1 .....	\$123.00
Professional 2 .....	\$154.00
Professional 3 .....	\$182.00
Professional 4 .....	\$208.00
Technician 1 .....	\$88.00
Technician 2 .....	\$107.00
Technician 3 .....	\$130.00
Principal Partner .....	\$254.00
Support Staff .....	\$85.00

**Professionals:**

Includes licensed and non-licensed engineers, landscape architects, geologists, scientists, surveyors, field professionals, and geospatial professionals with bachelors or advanced degrees.

**Technicians:**

Work requires a combination of basic scientific knowledge and manual skills, which can be obtained through two years of post-high school education, such as is offered in technical schools, community colleges, or through equivalent on-the-job training.

**Principal Partners:**

Officers and departmental managers at the highest level of EOR staff classification performing technical and quality control supervision.

**Support Staff:**

Non-manual clerical work performed by office administrators, administrative assistants, bookkeepers, messengers, office helpers, and clerks.

**Additional Notes:**

- *Reimbursable expenses (Reproduction, Printing, Duplicating, Mileage at current government rates, DGPS equipment, field supplies, use/rental of special equipment, etc.) will be billed at cost.*
- *Subcontracted services will be billed at cost plus 10% to cover overhead expenses.*
- *Expert witness trial and deposition testimony will be billed at the above hourly rates times 1.5.*
- *Payment is due upon receipt of invoice. If the invoice is not paid within thirty (30) days after invoice date, Client will also pay a finance charge thereon of 1.5 percent or the maximum rate allowed by law, whichever is less, for each month thereafter or portion thereof that an invoice remains unpaid.*

(1) These rates represent nearly a 5% discount from EOR standard rates and will apply if selected as District Engineer.

(2) Rates will be reviewed and adjusted annually (for 2025).



<b>Subject</b>	CLA Master Services Agreement and Scope of Work Agreements	
<b>Board Meeting Date</b>	January 16, 2024	<b>Item No:</b> 6.14
<b>Prepared By</b>	Joni Giese, District Administrator	
<b>Attachments</b>	<ul style="list-style-type: none"> <li>a.) CLA Master Service Agreement</li> <li>b.) CLA Outsourcing Preparation Statement of Work</li> <li>c.) CLA Outsourcing Payroll Statement of Work</li> </ul>	
<b>Proposed Action</b>	Motion to approve the CLA Master Service Agreement, CLA Outsourcing Preparation Statement of Work and CLA Outsourcing Payroll Statement of Work.	

### **Background**

Pursuant to *Minnesota Statutes section 103B.227, subdivision 5*, PLSLWD issued a biennial notice soliciting letters of interest for professional services (District Engineer, Audit, Accounting, and Legal Counsel) for 2024 and 2025. The request was sent to professional firms who might be interested on September 18. The District also noticed the request for two weeks in the Prior Lake American newspaper, with submittals due on October 9, 2023.

### **Discussion**

Staff reviewed and evaluated the submittals and recommended CLA to provide accounting services to PLSLWD for 2024 and 2025.

On November 14, 2023, the Board authorized the District Administrator to negotiate professional service agreements with firms as recommended by staff for District Engineer, legal counsel, accountant, and auditor for 2024 and 2025.

Staff has worked with CLA to update the attached master services consulting agreement for Board review and approval.

### **Recommendation**

Staff recommends Board approval of the CLA Master Service Agreement, CLA Outsourcing Preparation Statement of Work and CLA Outsourcing Payroll Statement of Work.



CliftonLarsonAllen LLP  
<https://www.claconnect.com>

# Master Services Agreement

Prior Lake - Spring Lake Watershed District  
4646 Dakota St SE, Prior Lake, MN, 55372  
MSA Date: January 1, 2024

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Prior Lake - Spring Lake Watershed District (“you,” or “your”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

## 1. Scope of Professional Services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose all errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal controls as part of any services.

CLA's proposal dated October 9, 2023 is incorporated into this MSA (Attached Exhibit A). In the event of conflict between the proposal and any term of the MSA or any SOW, the MSA and SOW's will take precedence.

## 2. Management responsibilities

You acknowledge and understand that our role is to provide the services identified in an SOW and that management, and any other parties engaging CLA, have responsibilities that are fundamental to our undertaking to perform the identified services.

## 3. Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client-initiated payment method approved by CLA. CLA's electronic online bill pay platform [claconnect.com/billpay](https://claconnect.com/billpay) accepts credit card and Automated Clearing House (ACH) payments. Instructions for you to make direct bank to bank wire transfers or ACH payments will be provided upon request.

#### **4. Other Fees**

You agree to compensate us for reasonable time and expenses, including time and expenses of outside legal counsel, we may incur in responding to a subpoena, a formal third-party request for records or information, or participating in a deposition or any other legal, regulatory, or other proceeding relating to services we provide pursuant to a SOW.

#### **5. Finance charges and collection expenses**

You agree that if any statement is not paid within 60 days from its billing date, without due cause, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

#### **6. Dispute Resolution**

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

#### **7. Limitation of remedies**

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you.

In no event shall any CLA party be liable to you for any indirect, special, incidental, unforeseeable, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or

attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this MSA and the specific SOW thereunder.

**8. Governing Laws, Jurisdiction, and Venue**

The MSA is made under and shall be governed by the laws of the state of Minnesota, without giving effect to choice-of-law principles. This includes dispute resolution and limitation of remedies.

**9. Time limitations**

Any claim under the MSA is subject to time limitations on actions set forth in state statute.

**10. Confidentiality**

Except as permitted by the "Consent" within section 12 of this MSA, CLA will not disclose any of your confidential, proprietary, privileged information, or employee private information to any person or party, unless you authorize us to do so, it is published or released by you, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law, regulation, or professional standard. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us. You also consent to our disclosure of information regarding the nature of services we provide to you to another independent network member of CLA Global, for the limited purpose of complying with professional obligations regarding independence and conflicts of interest.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

The workpapers and files supporting the services we perform are the sole and exclusive property of CLA and constitute confidential and proprietary information. We do not provide access to our workpapers and files to you or anyone else in the normal course of business. Unless required by law or regulation to the contrary, we retain our workpapers and files in accordance with our record retention policy that typically provides for a retention period of seven years. After this period expires, our workpapers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The workpapers and files of our firm are not a substitute for your records.

Pursuant to authority given by law, regulation, or professional standards we may be requested to make certain workpapers and files available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers and files will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers and files to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

#### **11. Other provisions**

You agree that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this MSA, except as may be assumed in an SOW. CLA will use due care in the handling of your data and will protect not public data in accordance with the Minnesota Data Practices Act. The Minnesota Data Practices Act applies to this Agreement to the extent specified at Minnesota Statutes §13.05, subdivision 11.

CLA will maintain all records pertaining to fees or costs incurred in connection with the Services for six years from the date of completion of the Services. CLA agrees that any authorized Prior Lake-Spring Lake Watershed District representative or the state auditor may have access to and the right to examine, audit and copy any such records during normal business hours.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, any sensitive data, including protected health information and personally identifiable information, must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all sensitive data, please contact us to discuss other potential options for transmitting the document or file.

CLA and certain owners of CLA are licensed by the California State Board of Accountancy. However, CLA has owners not licensed by the California State Board of Accountancy who may provide services under this MSA. If you have any questions regarding licensure of the personnel performing services under this MSA, please do not hesitate to contact us.

During the course of the engagement, there may be communication via fax or email. You are responsible to ensure that communications received by you or your personnel are secured and not shared with unauthorized individuals.

#### **12. Consent to send you publications and other materials**

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this MSA, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your

consent is valid until further notice.

**13. Subcontractors**

CLA may, at times, use subcontractors or other service providers to perform services under this MSA, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this MSA. CLA is responsible to you for its subcontractors' and service providers' conformance to the MSA and its performance of services to the same extent as its own performance.

**14. Technology**

CLA may, at times, use third-party software applications to perform services under this MSA. You acknowledge the software vendor may have access to your data.

**15. Compliance with Laws**

CONSULTANT will comply with all applicable laws and requirements of federal, state, local and other governmental units in connection with performing the Services and will procure all licenses, permits and other rights necessary to perform the Services. In performing the Services, CLA will ensure that no person is excluded from full employment rights or participation in or the benefits of any program, service or activity on the ground of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status or national origin; and no person who is protected by applicable federal or state laws, rules or regulations against discrimination otherwise will be subjected to discrimination.

**16. Insurance**

At all times during the term of this Agreement, CLA will have and keep in force the following insurance coverages:

General: \$1.5 million, each occurrence and aggregate, covering CLA's ongoing operations on an occurrence basis and including contractual liability.

Professional liability: \$1.5 million each claim and aggregate. Any deductible will be CLA's sole responsibility and may not exceed \$50,000. Coverage may be on a claims-made basis, in which case CLA must maintain the policy for, or obtain extended reporting period coverage extending, at least three (3) years from completion of the Services.

Automobile liability: \$1.5 million combined single limit each occurrence coverage for bodily injury and property damage covering all vehicles on an occurrence basis.

Workers' compensation: in accordance with legal requirements applicable to CLA.

CLA will file with you upon request a certificate of insurance documenting the required coverages and naming Prior Lake-Spring Lake Watershed District as an additional insured for general liability, along with a copy of the additional insured endorsement establishing coverage for CLA's ongoing operations as primary coverage on a noncontributory basis. The certificate will name Prior Lake-Spring Lake Watershed District as a holder and will state that Prior Lake-Spring Lake Watershed District will receive written notice before cancellation, nonrenewal or a change in the limit of any described policy



under the same terms as CLA.

**17. Termination of MSA**

This MSA shall continue until December 31, 2025. Either party may terminate this MSA at any time with written notice to the other party. On termination, CLA at your request, will provide services that you request, for up to 60 days from date of termination notice, to assist in your transition to another service provider. You and CLA will consult to define transition services and you will compensate CLA for such services at rates set forth in the Outsourcing Preparation Statement of Work.

Upon termination of the MSA, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

**18. Agreement**

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable addendum(s) and SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

**CliftonLarsonAllen LLP**

Christopher G. Knopik

Principal

16123973266

christopher.knopik@claconnect.com

**Response:**

This MSA correctly sets forth the understanding of Prior Lake - Spring Lake Watershed District

**CLA**  
CliftonLarsonAllen LLP

**Client**  
Prior Lake - Spring Lake Watershed District

SIGN: \_\_\_\_\_

Christopher G. Knopik, Principal

SIGN: \_\_\_\_\_

Joni Giese, Administrator

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

## EXHIBIT A



October 9, 2023

**Quote to provide professional outsourcing services to:**

## **Prior Lake-Spring Lake Watershed District**

Prepared by:

**CliftonLarsonAllen LLP**

200 South Sixth Street, Suite 300

Minneapolis, MN 55402-1436

**Christopher Knopik, CPA, CFE, Principal**

christopher.knopik@CLAconnect.com | Direct 612-397-3266

**CLAconnect.com**

CPAs | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAglobal.com/disclaimer](https://claglobal.com/disclaimer).

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





CliftonLarsonAllen LLP  
CLAconnect.com

October 9, 2023

***Via electronic submission***

Ms. Joni Giese, Administrator  
Prior Lake-Spring Lake Watershed District  
4646 Dakota Street SE  
Prior Lake, MN 55372  
[jgiese@plslwd.org](mailto:jgiese@plslwd.org)

Dear Ms. Giese:

Thank you for inviting us to propose our services to you and continuing our relationship. We are eager to continue working with you and supporting the success of Prior Lake Spring Lake Watershed District (PLSLWD). The following proposal responds to your request for outsourcing services for the two-year period of calendar year 2024 and 2025.

Through our conversations, we understand your broader objective is to retain both outsourced CFO/Controller and accountant services for PLSLWD. We are confident our proposal not only addresses your need for outsourcing services, but also highlights our positive working relationship and reinforces our strong capabilities in serving outsourcing clients, developed during our more than 60-year history of working with organizations similar to yours.

As you know, CLA is focused on delivering an exceptional level of knowledge, insight, and industry experience, while we develop honest, sincere relationships with our clients; expressing our genuine interest in their respective industries; investing heavily in our personnel resources. As our clients' most trusted business advisor, we:

- Take a genuine interest in your opportunities and challenges
- Proactively work with you to develop solutions based on a deep understanding of your business and industry
- Address your organization's financial challenges through our local, national, and global resources
- Continually strive to better your organization, the state and local government industry, the communities in which we work and live, the accounting profession, and ourselves

We look forward to hearing from you and if you have any questions, please don't hesitate to contact me.

Sincerely,

**CliftonLarsonAllen LLP**

Christopher Knopik, CPA, CFE  
Principal  
612-397-3266  
[christopher.knopik@CLAconnect.com](mailto:christopher.knopik@CLAconnect.com)

# Firm Qualifications and Experience

CLA exists to create opportunities for our clients, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. Our broad professional services allow us to serve clients more completely — from startup to succession and beyond.

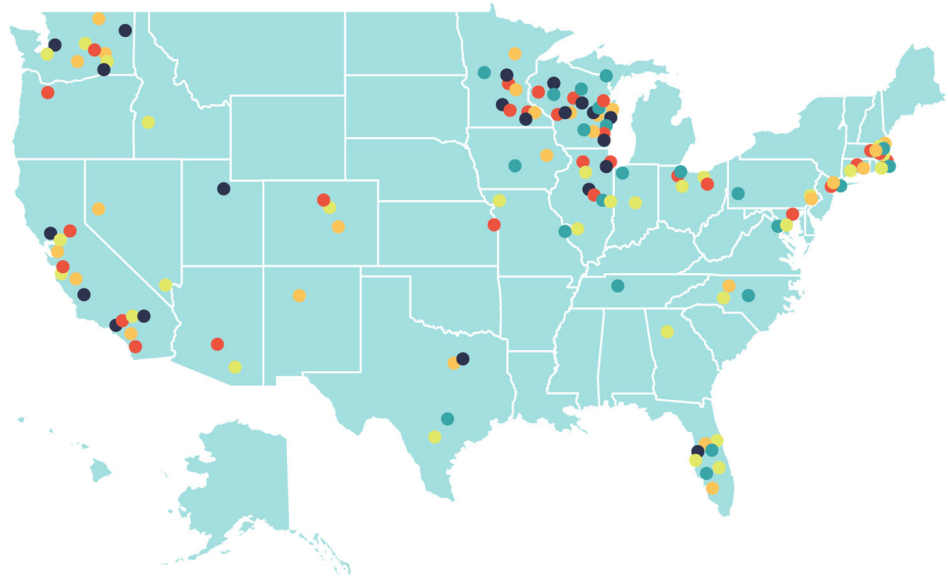
Our professionals are immersed in the industries they serve and have specialized knowledge of their operating and regulatory environments. With more than 8,500 people, 130 U.S. locations, and a global vision, we bring a wide array of approaches to help clients in all markets, foreign and domestic.

8,500+  
PEOPLE

130  
NEARLY 130 U.S. LOCATIONS

AN INDEPENDENT  
NETWORK MEMBER OF

CLA Global



## We promise to know you and help you

With CLA by your side, you can find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and achieve more than you believed possible.

For two consecutive years, CLA has been certified as a Great Place to Work<sup>®</sup>, based on employee feedback and workplace experience.



## Governmental experience

CLA offers the credibility, reputation, and resources of a leading professional services firm — without sacrificing the small-firm touch. We bring unsurpassed levels of technical excellence, commitment, and dedication to our clients, which have made us one of the most successful professional service firms serving governmental entities. Our strong reputation for serving state and local government units provides the District the confidence in their decision to select CLA as their professional service provider.

CLA has one of the largest governmental audit and consulting practices in the country, serving more than 4,200 governmental clients nationwide, including more than 250 in Minnesota. Regulated industry clients represent approximately one-quarter of all firm-wide revenue, and each of the governmental services team members are well versed in the issues critical to complex governmental entities.

Our professionals have deep, technical experience in serving governmental entities. As a professional service firm experienced in serving state and local units of government, we are very aware of the financial and legal compliance requirements that government officials are faced with daily. This creates complexities and service issues within a unique operational and regulatory environment. Because of our experience, we have become adept at providing our clients with insights in this environment not typical of other professional service firms.



We differ from other national firms in that our corporate practice focuses on the needs of non-SEC clients, allowing us to avoid the workload compression typically experienced by firms that must meet public companies' SEC filing deadlines. CLA is organized into industry teams, affording our clients specialized industry-specific knowledge supplemented by valuable local service and insight. Therefore, the District will benefit from working with members of our state and local government services team who understand the issues and environment critical to governmental entities.



# Services Approach

## Financial outsourcing services model

We work hard to try to make your life easier and your organization stronger. Outsourced finance and accounting services allow you to focus on growing by providing scalable, experienced resources from a top ten accounting firm. We can perform a variety of finance and accounting functions (illustrated below) and provide the data and reporting you need to successfully manage your organization.

We work with you to identify your finance and accounting needs and your current processes. Then our industry-specialized staff custom designs a solution that meets your precise needs. We utilize various technologies and our best practices to streamline our service delivery for a competitive price and highest value. Our engagement provides you access to the accumulated wisdom of the firm through professionals with substantial experience who can help your organization enhance its future and achieve its business goals.

Our team will arrive at your organization ready to review how you have been handling the accounting process. We don't make any drastic changes and provide you initially what you have seen before. We look for controls issues and efficiencies throughout the engagement and will readily communicate any of these items with you.

## CLA Financial Outsourcing Six Levels of Service





## Office location assigned to manage the engagement

Our firm takes the approach of matching staff among the best skill set to the engagement before considering geographic location of the staff. Assigning team members that specialize in working with state and local government of all sizes will provide the District with quality services, and will allow us to complete the audit in the most efficient and effective manner with little interruption to your staff.

PLSLWD will be primarily served by our industry-specialized state and local government engagement team located in our Minneapolis, Minnesota office with assistance from other Minnesota offices, if needed.

## Professional Fees

Our fees are based on the timely delivery of services provided, the experience of personnel assigned to the engagement, and our commitment to meeting your deadlines.

We estimate the annual fees for this CFO/Controller engagement will be approximately not exceed \$34,404 for 2024 and \$37,320 for 2025. These fees will be effective for the years ended December 31, 2024 and 2025 and will continue until a new agreement or discussion between both parties has occurred.

Task	Scope of Services	2024 Monthly Fee Estimate	2024 Annual Total	2025 Monthly Fee Estimate	2025 Annual Total
Monthly Accounting	<ul style="list-style-type: none"> <li>- Month-end close process, including adjusting entries</li> <li>- Compile monthly financial statements</li> <li>- Facilitate annual audit</li> <li>- Assist with coding of receipts and disbursements</li> <li>- Reconcile bank accounts</li> <li>- Additional services as requested by management</li> <li>- Assist with questions from the District, as needed</li> <li>- Provide industry expertise</li> </ul>	\$2,300	\$27,600	\$2,500	\$30,000
Payroll	- ADP Processing fees, estimated	\$367	\$4,404	\$400	\$4,800
Bill.com	- Bill.com Fees	\$85	\$1,020	\$85	\$1,020
Tech fee	- 5% on professional services	\$115	\$1,380	\$125	\$1,500
<b>Total</b>		<b>\$2,867</b>	<b>\$34,404</b>	<b>\$3,110</b>	<b>\$37,320</b>

The Fees for the Prior Lake Outlet Channel (PLOC) annual accounting is estimated to be approximately \$8,500 for 2024 and \$9,000 for 2025.

Our clients don't like fee surprises. Neither do we. We commit to you, as we do all of our clients, that:



- We will be available for brief routine questions at no additional charge, a welcome investment in an on-going relationship.
- Like most firms, we are investing heavily in technology to enhance the client experience, protect our data environment, and deliver quality services. We believe our clients deserve clarity around our Technology and Client Support Fee, and we will continue to be transparent with our fee structure.
- Any additional charges not discussed in this proposal will be mutually agreed upon up front.
- We will always be candid and fair in our fee discussions, and we will avoid surprises.

For proper communication and clarity, CLA will meet with you quarterly (or as needed) to review the engagement. At that time, changes can be made to the fees and scope of services based on mutual agreement of you and CLA.

Our fees will be billed on the actual time spent at the hourly rates indicated above and includes all out of pocket costs.

Our invoices for these fees will be rendered each month and are payable on presentation. Terms of payment for services are net 60 days. Amounts unpaid after 60 days from the invoice date will be charged a service fee of 1.5% per month. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not submitted the financial statements to you. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In addition, in the event action is instituted to collect any portion of an amount owed by you to CLA, the organization agrees to pay collection and litigation costs, including, but not limited to, attorney's fees.





# Christopher Knopik, CPA, CFE

## CLA (CliftonLarsonAllen LLP)



Principal  
Minneapolis, Minnesota

612-397-3266  
christopher.knopik@CLAconnect.com

### Profile

Christopher is a principal at CLA and has 20 years of public accounting experience. He works exclusively with state and local government clients (including colleges and universities, cities, towns, and counties) and has extensive experience with Uniform Guidance single audits of federal grant programs. Christopher currently works with Prior Lake-Spring Lake Watershed District, Lower Minnesota Watershed District, Cedar River Watershed District, Minnesota State Colleges and Universities, Dakota County (MN) (ACFR), City of Lakeville (MN) (ACFR), City of Mahtomedi (MN) (ACFR), Carver County (MN) (ACFR), Sherburne County (MN) (ACFR), City of Stillwater (MN) (ACFR), Minnesota Zoo, Minnesota Sports Facilities Authority (ACFR), Martin County (MN) – ARPA Consulting, Pennington County County (SD) – ARPA Consulting, and Carver County (MN) – ARPA Consulting.

### Education and professional involvement

- Bachelor of science, accounting, Bemidji State University
- Certified Public Accountant, Minnesota, Texas, and Hawaii
- American Institute of Certified Public Accountants
- Minnesota Society of Certified Public Accountants
- Minnesota Government Finance Officers Association
  - Education Committee, member
  - Social Committee, member
- Association of Certified Fraud Examiners
- National Association of College and University Business Officers
- Certified Fraud Examiner

### Speaking engagements

- Community College Business Officers Association – Enterprise Risks, September 2016
- Association of College and University Auditors – Data Analytics, September 2015
- CliftonLarsonAllen Government Training Academy, March 2014, March 2015, March 2016, March 2017, March 2018, March 2020, and March 2022
- Fraud Prevention: How to Identify and Protect Your Higher Ed Institution – Webinar November 2017

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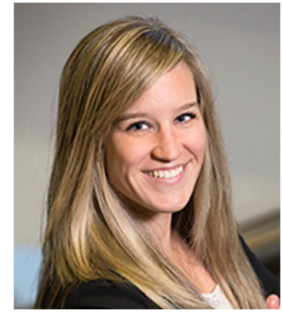
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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





# Michelle Hoffman, CPA

## CLA (CliftonLarsonAllen LLP)



Consulting Controller – Outsourcing  
Minneapolis, Minnesota

612-397-3269  
michelle.hoffman@CLAconnect.com

### Profile

Michelle has more than 15 years of public accounting experience exclusively serving the public sector, including cities, counties, states and state agencies, school districts, and charter schools. During this time, she has provided outsourcing, audit, compliance, agreed-upon procedures, consulting, and other services to numerous public sector clients across the country, ranging from small cities to statewide governments. Michelle has extensive knowledge and experience with GASB requirements and standard implementation, reporting requirements and preparation, including Annual Comprehensive Financial Reports, internal control best practices, grant compliance, including federal single audit compliance and procedures, and industry best practices.

### Technical experience

- State and local government industry
- Financial reporting, including ACFR preparation
- GASB standards and implementation
- The *Uniform Guidance* and federal single audit requirements
- Grant compliance and policies

### Education and professional involvement

- Bachelor of science in business in accounting and marketing and a minor in Spanish studies from the University of Minnesota's Carlson School of Management, Minneapolis, Minnesota
- Licensed by the Minnesota State Board of Accountancy
- American Institute of Certified Public Accountants
- Government Finance Officers Association (GFOA)
- Minnesota Association of School Business Officials (MASBO)
- Minnesota Government Finance Officers Association (MNGFOA), *Current Social Committee Co-Chair and 2017 Executive Board Member at Large*
- Minnesota Society of Certified Public Accountants
  - MNCPA School District Audit Conference Task Force Member
  - Recipient of the 2023 Volunteer Excellence Award
- ACFR reviewer for the GFOA's Special Review Committee

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# Lauren O'Brien, CPA

## CLA (CliftonLarsonAllen LLP)

Senior Accountant  
Rochester, Minnesota

507-386-8808  
lauren.obrien@CLAconnect.com



### Profile

Lauren is a senior in our Rochester office and started with CLA in 2018 and has worked extensively with governmental clients (including: school districts and electric cooperatives). She started on outsourcing clients starting in June 2022. She has experience with single audits of federal grant programs. A sampling of his governmental clients include:

- Dover-Eyota Public Schools
- Houston Public Schools
- Hiawatha Valley Education District
- Kasson-Mantorville Public Schools
- Lake City Public Schools
- Medford Public Schools
- Northfield Public Schools
- St. Charles Public Schools
- BENCO Electric Cooperative
- Butler County Rural Electric Cooperative
- Clark Electric Cooperative
- Illinois Electric Cooperative
- Iowa Lakes Electric Cooperative
- Nobles Cooperatie Electric
- Steele-Waseca Cooperative Electric
- Southwestern Electric Cooperative Inc.

### Education and professional involvement

- American Institute of Certified Public Accountants, member

### Continuing professional education

Lauren is in full compliance with continuing education requirements established by Government Auditing Standards (attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours over the three-year period). Relevant CPE areas include:

- Single audit training
- CLA annual government training academy
- Annual audit and accounting updates
- Annual risk management and internal control training

### [CLAconnect.com](https://www.claconnect.com)

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CliftonLarsonAllen LLP  
<https://www.claconnect.com>

# Outsourcing Preparation Statement of Work

Date: January 1, 2024

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Prior Lake - Spring Lake Watershed District (“you” and “your”) dated January 1, 2024 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

## **Scope of professional services**

Christopher G. Knopik is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

## **Ongoing normal accounting services associated with Prior Lake-Spring Lake Watershed District and the Prior Lake Outlet Channel (PLOC) memorandum of Agreement (MOA) Cooperators:**

- **Outsourced accounting functions - Principal**
  - Provide engagement oversight and review
  - Provide industry expertise
  - Review monthly and quarterly reports
  - Assist with questions from the District, as needed
  - Perform other accounting services, as requested
  - Gather information necessary to facilitate the entity's annual financial statement audit
  
- **Outsourced accounting functions - Accountant**
  - Month-end and quarter end close process, including adjusting entries
  - Reconcile certain accounts monthly/quarterly and prepare journal entries
  - Prepare financial statements – additional information is provided below
  - Assist with coding of receipts and disbursements
  - Assist with questions from the district, as needed
  - Additional services as requested by management
  - Gather information necessary to facilitate the entity’s annual financial statement audit
  
- Prepare federal Form 1099 and Form 1096 from information provided by you and transmit

federal Form 1099 to federal state taxing authorities on your behalf

- Our 1099 preparation services could include electronically transmitting 1099 forms to federal and state taxing authorities on your behalf

### **Preparation Services - Financial statements and supplementary reports**

You have requested that we prepare the monthly financial statements and supplementary reports of Prior Lake - Spring Lake Watershed District and quarterly financial statements of the PLOC MOA Cooperators, which comprise the financial statements identified below not in accordance with GAAP (financial reporting framework).

- **PLSLWD monthly financial statements and supplementary reports:**  
Statement of Activities (aka "Managers Report" or "Financial Report")  
Treasurers Report  
Cash Flow Projection
- **PLSLWD quarterly financial statements and supplementary reports:**  
Statement of Financial Position (aka "Balance Sheet")  
Cost Analysis
- **PLOC MOA Cooperators quarterly financial statements and supplementary reports:**  
Statement of Activities  
Contracted Services Summary
- **PLOC MOA Cooperators annual report**  
Cost share allocation for PLOC Cooperators

The financial statements will not include the statement of cash flows and the related notes to the financial statements.

Management has requested the financial statements be prepared without substantially all disclosures, which is a departure from the financial reporting framework. The financial statements will identify these departures.

The supplementary information accompanying the financial statements, if requested, will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial statements.

### **Engagement objectives and our responsibilities**

The objective of our engagement is to prepare financial statements in accordance with the financial reporting framework based on information provided by you and information generated through our outsourced accounting services.

We will conduct our preparation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of

Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

### **Engagement limitations**

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's financial statements that we may not identify as a result of misrepresentations made to us by you.

CLA's relationship with you shall be solely that of an independent contractor and nothing in the MSA or a SOW shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

### **No assurance statement**

The financial statements will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

Our firm cannot be associated with any financial statements you file with the U.S. Securities and Exchange Commission (SEC) and accordingly, the name of our firm cannot be included in any of Prior Lake - Spring Lake Watershed District's public filings.

### **Management responsibilities**

The engagement to be performed is conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that our role is to prepare financial statements in accordance with the financial reporting framework.

We are required by professional standards to identify management's responsibilities in this agreement. Those standards require that you acknowledge and understand that management, and those charged with governance, as appropriate, have the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARs:

- a) The selection of the financial reporting framework to be applied in the preparation of the financial statements and determining that the financial reporting framework is acceptable in the circumstances.
- b) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or



error.

- c) The prevention and detection of fraud.
- d) To ensure that the entity complies with the laws and regulations applicable to its activities.
- e) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- f) To provide us with the following:
  - a) Access to all information relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that may be requested for the purpose of the engagement.
  - c) Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements (items a and b).

For all accounting services we may provide to you, including the preparation of your financial statements, management agrees to assume all management responsibilities; oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

### ***Beneficial ownership information reporting***

Beginning in 2024 under the Corporate Transparency Act (CTA), certain entities organized in the U.S. (including entities that are disregarded for federal income tax purposes) and foreign entities doing business in the U.S. are required to report information to the Financial Crimes Enforcement Network (FinCEN) as to their beneficial ownership. The report must provide each beneficial owner, each company applicant and other required information. Entities subject to the beneficial ownership information (BOI) reporting include a corporation, limited liability company, or any other entity created by the filing of a document with the secretary of state or similar office under state, Tribal or foreign country law. Note that some entities are exempt from the BOI reporting requirements (including many nonprofits and certain large operating companies).

**It is your responsibility to prepare and submit any BOI report to FinCEN that is required under the CTA.** We have no obligation to identify any filing requirements or provide any services related to BOI reporting.

You agree that CLA will not be providing any services that could be viewed as having control or being a beneficial owner of the entity that would require you to list CLA, its partners, principals, directors, officers, employees or agents, in any BOI report. We will not act as a corporate agent or in any capacity where we are preparing or filing legal documents on your behalf. We also will not make any management decisions that

indicate substantial control of your entity, including the following decisions:

- Reorganization, dissolution or merger of the reporting company; compensation and incentives of senior officers;
- Making, terminating, fulfilling or not fulfilling significant contracts;
- Selecting, terminating business lines, ventures, or geographic focus;
- Making major expenditures, incurring significant debt, issuing securities, approving operating budgets, selling, transferring, leasing or mortgaging principal assets;
- Amending governing documents; or
- Determining the nature, scope and attributes of the business conducted.

### **Fees and terms**

Our professional services will be billed on an hourly basis based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. We will also bill any third-party software subscription fees that you direct CLA to purchase and incur on your behalf. The total payment for services will not exceed \$42,904 (\$34,404 for Prior Lake Spring Lake Watershed District and \$8,500 for PLOC MOA Cooperators) for calendar year 2024. This paragraph governs over any other provision of the agreement indicating "estimated" cost.

Our fees are estimated to be as follows for calendar year 2024 for the District:

Monthly fee for accounting \$2,300 (estimated 18 hours per month)

Monthly fee for payroll \* \$367/ month

Monthly fee for Bill.com\*\* \$85

Tech fee (5% of professional fees) \$115

Estimated monthly fee \$2,867

\* See separate SOW

\*\* Bill.com fees are as follows:

- A monthly base fee of \$20.30/month
- E-payments of \$0.49/payment
- Physical checks of \$1.49/payment
- \$5.00 per user/month

PLOC MOA fees estimated to be \$8,500 for the year.

In the event that this SOW is terminated and the clause to provide up to 60 days of services to the District is requested those services will be provided at the following rates: Accountant \$95/hour; Controller \$175/hour; and Principal/Quality Assurance \$275/hour.

The fee and time estimate are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimate.

### **Use of financial statements**

The financial statements we prepare are for management's use. If you intend to reproduce and publish the financial statements, they must be reproduced in their entirety.

### **Non-Solicitation**

You agree that during the term and for a period of one year after the expiration or termination date of the MSA, you will not solicit, hire, contract with, or engage the services of any person providing services to you on behalf of CLA without the prior written consent of CLA. If you breach this non-solicitation provision, you shall pay \$100,000.00 to CLA as liquidated damages within two weeks of the date on which the former CLA employee or consultant begins his or her new employment with you.

### **Termination of SOW**

Either party (you or CLA) may terminate this particular SOW at any time by giving written notice to the other party. On termination, CLA at your request, will provide services that you request, for up to 60 days from date of termination notice, to assist in your transition to another service provider. You and CLA will consult to define transition services and you will compensate CLA for such services at rates set forth in the Outsourcing Preparation Statement of Work. Upon termination of this particular SOW, the provisions of this SOW and the existing MSA shall continue to apply to all services rendered prior to termination.

### **Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA, between CLA and the Prior Lake-Spring Lake Watershed District effective January 1, 2024. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

### **CliftonLarsonAllen LLP**

Christopher G. Knopik  
Principal  
16123973266  
christopher.knopik@claconnect.com

### **Response**

This SOW correctly sets forth the understanding of Prior Lake - Spring Lake Watershed District and is accepted by:

**CLA**  
CliftonLarsonAllen LLP

**Client**  
Prior Lake - Spring Lake Watershed District

SIGN: \_\_\_\_\_

Christopher G. Knopik, Principal

SIGN: \_\_\_\_\_

Joni Giese, Administrator

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_