Shell Rock River Watershed District

Type of Meeting: Monthly Board
Date: October 10, 2023
Time: 5:00 PM
Location: Shell Rock River Watershed District
305 S 1st Ave
Albert Lea, MN 56007

AGENDA

1. **Call to Order and Roll Call**

2. **Public Hearing Fountain Lake In-Lake Habitat Restoration**

3. **Public Forum**

4. **Approval of Agenda (Additions/Corrections/Deletions)**

5. **Consent Agenda (The following items will be acted upon without discussion in accordance with the staff recommendation and associated documents unless a Manager requests opportunity for discussion.)**
   a. **Minutes of the September 5, 2023 SRRWD Regular Board Meeting**
   b. **Minutes of the September 5, 2023 SRRWD Dredge Committee Meeting**
   c. **Minutes of the September 25, 2023 SRRWD Executive Committee meeting**
   d. **September 2023 Treasurer's Report Subject to Audit**
   e. **September 2023 Project Fund Treasurer's Report Subject to Audit**
   f. **Authorize Payment of Claims**
   g. **Authorize Payment of Project Fund Disbursements**
   h. **Quarterly Transfer**

6. **Administrator – Andy Henschel**
   a. **Motion to Accept the 2022 Audit as presented by Hill, Benda, Skov & Bernau**
   b. **Resolution 2023-08 Fountain Lake In-Lake Habitat Restoration Plan Approval**
   c. **Resolution 2023-09 Fountain Lake In-Lake Habitat Restoration Establishment**
   d. **Motion to Approve Professional Services with Geosyntec Consultants**
   e. **MN Watershed Monthly Update**

7. **Project and Program Manager – Courtney Philips**
   a. **Motion to Enter into Option Agreement for Goose Lake Property**
   b. **Motion to Enter into Easement Agreement for Bryson Wetland Restoration Project**
   c. **Resolution 2023-07 Establish Bryson Wetland Restoration Project**
   d. **Motion to Approve Soil Borings for Panicum Prairie Project**
   e. **Wedge Creek Update**

f. Lessard Sams Outdoor Heritage Council Update

8. Manager's Items

9. Upcoming Meetings:
   a. BWSR Academy – October 24-26, 2023
   b. SRRWD Board Meeting – November 14, 2023
   c. MN Watersheds Annual Conference & Trade Show – November 28-December 1, 2023

10. Adjourn

Shell Rock River Watershed District
Regular Meeting Minutes
September 5, 2023

Managers present: Al Bakken, Joe Pacovsky, Mick Delger, Mike Lee and Brad Kramer

Managers absent: Mike Hanson and Dan DeBoer

Manager Delger called the meeting to order at 8:30 a.m. on September 5, 2023 at the Shell Rock River Watershed District, 305 S 1st Ave., Albert Lea, MN 56007.

Manager Delger opened the public hearing to review the 2024 Administrative Levy, Debt Service Levy, Liability Insurance Levy, Administrative, and Project Fund Budget. Manager Delger called for comments three times. No one from the public wished to speak. Manager Delger closed the public hearing. Manager Delger opened the public hearing for the Bryson Wetland Restoration. Manager Delger called for comments three times. No one from the public wished to speak. Manager Delger closed the public hearing.

No one from the public wished to speak during the public forum.

Manager Kramer offered the following motion:

Move to approve the agenda without additions, corrections, or deletions.

Manager Pacovsky seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

Manager Lee offered the following motion:

Move to approve the consent agenda as presented.

- **a.** Minutes of the August 8, 2023 SRRWD Regular Board Meeting
- **b.** August 2023 Treasurer's Report Subject to Audit
- **c.** August 2023 Project Fund Treasurer's Report Subject to Audit
- **d.** Authorize Payment of Claims
- **e.** Authorize Payment of Project Fund Disbursements

Manager Kramer seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

The total proposed Administrative budget for 2024 is $271,000.00 and proposed Project Fund budget is $18,603,001.00. Proposed Administrative levy is $250,000.00, Liability Insurance Fund levy $21,000.00 and the Debt Service levy is $178,625.00.

Manager Kramer offered the following motion:
Move to approve the 2024 Administrative Levy and Certify the Administrative Levy to the Freeborn County Auditor-Treasurer.
Manager Pacovsky seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

Manager Lee offered the following motion:
Move to approve the 2024 Debt Service Levy and Certify the Debt Service Levy to the Freeborn County Auditor-Treasurer.
Manager Pacovsky seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

Manager Kramer offered the following motion:
Move to approve the 2024 Liability Insurance Levy and Certify the Liability Insurance Levy to the Freeborn County Auditor-Treasurer.
Manager Lee seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

Manager Bakken offered the following motion:
Move to approve the 2024 Administrative Budget.
Manager Kramer seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

Manager Lee offered the following motion:
Move to approve the 2024 Project Budget.
Manager Pacovsky seconded the motion.
After discussion, a roll call vote was taken and the motion was unanimously approved.

Administrator Henschel discussed the Bryson Restoration Project. Located east of Alden, this LCCMR funded project includes taking water off of the ditch system in this area and restoring the wetland. This project will complement the Miller, Orr, and IC&E wetland restoration project across the road.

Manager Pacovsky offered the following motion:
Move to introduce Resolution 2023-05

Resolution 2023-05
Bryson Restoration Project

INITIATE PROJECT
2023-01

WHEREAS, The Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the "District") is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the "Plan");

WHEREAS, project goals and objectives set forth in the Plan include:

- Improve water quality and clarity to District lakes
- Improve and enhance waterfowl habitat
- Maintain efficient system and reduce transport of sediment, nutrients and pesticides into surface waters through the drainage systems
- Minimize flood damage to property and preserve the function of the floodplain
- Restore and retain water upstream throughout the watershed
- Preserve existing rural and urban wetlands and encourage restoration and enhancement

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE, be it hereby resolved that the Shell Rock River Watershed District:

Sec. 1: Initiates "Project No. 2023-01 Bryson Restoration Project"
Sec. 2: Authorizes District Staff to negotiate appropriate professional services agreements to promote and complete Bryson Restoration Project efforts.
Sec. 3: Authorizes District Staff to conduct work as needed to present this project to the Board for review and public hearing as required by law.

Manager Lee seconded the motion.
After discussion, a roll call vote was taken and the resolution was unanimously approved.

Manager Bakken offered the following motion:
Move to introduce Resolution 2023-06

Resolution 2023-06
Plan Approval
Bryson Restoration Project

WHEREAS, The Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the "District") is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the "Plan");

WHEREAS, project goals and objectives set forth in the Plan include:

- Improve water quality and clarity to District lakes
- Improve and enhance waterfowl habitat
- Maintain efficient systems and reduce transport of sediment, nutrients and pesticides into surface waters through the drainage systems
- Minimize flood damage to property and preserve the function of the floodplain
- Restore and retain water upstream throughout the watershed
- Preserve existing rural and urban wetlands and encourage restoration and enhancement

WHEREAS, the Bryson Restoration, project 2023-01, was initiated on September 5, 2023 by Resolution 2023-05;

WHEREAS, the Board of Managers having reviewed the Project Plan, and has determined that approval of the Project Plan will further the objectives of the Plan;

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE, the Board of Managers hereby finds that the Project has the potential to promote the public interest and welfare, is practicable, and conforms to the watershed management plan as set forth above.

NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District:

Sec. 1: Approves the Bryson Restoration Project Plan as presented by Jones Haugh & Smith; and

Sec. 2: Authorizes District staff to conduct work as needed to present this project to the Board for final review and public hearing as required by law.

Manager Kramer seconded the motion.
After discussion, a roll call vote was taken and the resolution was unanimously approved.

Administrator Henschel continued by discussing the Option Agreement between the SRRWD and Yost Land Company LLLP for 31.11 acres bordering Eberhart Lake. The purchase price is $205,000.00.

Manager Pacovsky offered the following motion:
Move to Execute the Yost Option Agreement.
Manager Lee seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Jason Raimondi, Corry Platt, and Christopher Robb of Geosyntec Consultants provided a brief presentation highlighting their company, experience, and process proposal for the Fountain Lake Restoration Project. Their presentation will be posted via www.shellrock.org.

The SRRWD will host their next board meeting and annual meeting on October 10, 2023. These evening meetings will include a 20-year anniversary celebration.

Manager Kramer offered the following motion:
Move to adjourn the meeting.
Manager Bakken seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Shell Rock River Watershed District
Dredge Committee Meeting Minutes
September 5, 2023

Managers present: Mick Delger, Al Bakken, and Brad Kraemer.

Dredge Committee Meeting was called to order on September 5, 2023 at approximately 10:00 a.m. at the Shell Rock River Watershed District office.

Also present was District Administrator Andy Henschel; Julie Blackburn and Mark Origer of ISG; Jason Raimondi, Corry Platt, and Christopher Robb of Geosyntec; and Stephanie A. Haedt of Peterson, Kolker, Haedt & Benda, Ltd.

Introductions were conducted.

Administrator Henschel explained the prior phases of the Fountain Lake Restoration Project, the work that has been completed and the work to be completed. General discussion was had regarding the need for new a EAW, permitting, bidding, contract, dredging, and ongoing use of CDF Cells 1-3. Project goals and budgets were discussed. The District anticipates FLRP contract 3 will remove 600,000 cubic yards from Fountain Lake Main Bay and Bancroft Bay. The project budget is $9,000,000. Upon completion, phase 2, contract 3, will conclude dredging of Fountain Lake.

The group discussed permitting issues and reviewed maps, soil borings, and aquatic vegetation survey. Further review was done on Bancroft Bay and the prior DNR concerns in this area. The engineers and Administrator Henschel discussed options to show Lake quality improvement from prior FLRP project and the benefits of updated vegetation survey and additional soil borings for upcoming design and permitting.

ISG provided an overview of the Fountain Lake In-Lake Habitat Project to enhance habitat. Administrator Henschel noted the increase in natural vegetation and water clarity in dredged areas.

Committee briefly discussed habitat concerns and protections with avoiding dredging in the fish spawning window and the Blanding's turtles and NHIS survey. Administrator Henschel discussed the prior success in approach and intends to do the same in this phase.

The Committee again emphasized project goals, timing, and budget. The Committee and District staff would like to see from the engineers proposed Professional Service Agreement and Scope of Work for the District's consider and review.

The Dredge Committee recommends the District engage Geosyntec as engineers for the Fountain Lake Restoration Project Phase 3.

Meeting was adjourned at approximately 11:20 a.m. for travel to CDF site.

Meeting reconvened at approximately 12:00 p.m. at the CDF site, without Manager Kramer, where Administrator Henschel provided a tour of the CDF site and answered engineer questions. Mangers Bakken and Delger remained on-site briefly. Administrator Henschel remained on site and answered additional engineer questions regarding the prior and intended project.

Shell Rock River Watershed District
Executive Meeting Minutes
September 25, 2023

Managers present: Mick Delger, Al Bakken, and Brad Kramer

Executive Committee Meeting was called to order on September 25, 2023 at 9:00 a.m. at the Shell Rock River Watershed District office.

Also present was District Administrator Andy Henschel; Financial Technician Carmen Christensen and Andrew Bernau.

Andrew Bernau, Hill, Benda, Skov & Benda, P.A., presented the 2022 audit to the executive committee. The District had a good report.

Meeting was adjourned at 10:00.

Shell Rock River Watershed District
Administration Fund Financial Statement
2023

Income:	**September**	**Year to Date**	**Budget**
A) General and Administrative Levy	$ -	$ 3,074.97	$ 250,000.00
B) Liability Insurance Fund	$ -	$ 152.22	$ 17,000.00
D) Interest	$ 4.72	$ 67.35	$ -
F) Reimbursements	$ -	$ 2,300.07	$ -
FF.) Other income	$ -	$ -	$ -
Total Income	**$ 4.72**	**$ 5,594.61**	**$ 267,000.00**

Checking US Bank	**$ 114,050.02**
September Receipts	**$ 4.72**
Transfer From Project Fund	**$ 40,000.00**
September Disbursements	**$ (66,279.08)**
Checking Account Balance 9-30-23	**$ 87,775.66**

Expenses: **Personnel**	**September**	**Year To Date**	**Budget**
1.11 Managers (regular meetings)	$ -	$ 2,860.00	$ 4,000.00
1.12 Managers (special meetings)	$ -	$ 1,980.00	$ 3,000.00
1.21 Administrator	$ 11,332.54	$ 52,865.47	$ 20,000.00
1.22 Admin Assistant/Outreach	$ 4,887.52	$ 29,373.35	$ 21,000.00
1.24 Summer Intern	$ 2,185.00	$ 9,804.00	
1.26 Financial Technician II	$ 6,538.40	$ 30,814.63	$ 24,000.00
1.27 Program Project Manager	$ 7,049.28	$ 24,401.60	
1.31 S.S./Med(Employer's Share=.0765)	$ 2,785.87	$ 14,512.12	$ 6,000.00
1.32 Health Insurance	$ 4,533.36	$ 11,333.56	$ 13,600.00
1.33 MN Unemployment	$ -	$ -	$ -
1.34 P.E.R.A.	$ 4,471.14	$ 11,045.43	$ 4,000.00
1.35 Workers' Compensation	$ -	$ -	$ -
Personnel Subtotal	**$ 43,783.11**	**$ 188,990.16**	**$ 95,600.00**
Travel-Related Expenses			
2.11 Manager Meeting Mileage	$ -	$ -	$ 50.00
2.21 Administrator Travel	$ -	$ 1,412.85	$ 3,000.00
2.22 Conservation Technician Travel	$ 53.64	$ 501.26	$ -
2.32 Staff Mileage	$ 7.86	$ 484.16	$ 1,000.00
2.41 Seminar Travel	$ -	$ 746.70	$ 1,500.00
2.42 Seminar Rooms	$ -	$ 4,078.42	$ 1,500.00
2.43 Seminar Meals	$ -	$ 481.04	$ 500.00
Travel Subtotal	**$ 61.50**	**$ 7,704.43**	**$ 7,550.00**
Personnel Training			
3.11 MAWD Dues	$ -	$ 5,348.00	$ 6,000.00
3.21 Educational Organization	$ -	$ -	$ 250.00
3.22 Seminar Fees	$ -	$ 1,765.59	$ 2,000.00
3.23 Professional Development	$ -	$ 348.00	$ 500.00
Personnel Training Subtotal	**$ -**	**$ 7,461.59**	**$ 8,750.00**
Office Expenses			
4.11 Supplies	$ 202.75	$ 3,266.45	$ 5,000.00
4.21 Telephone and Internet	$ 177.97	$ 4,478.14	$ 10,000.00
4.31 Postage	$ 19.99	$ 367.91	$ 750.00
4.42 Software	$ -	$ 547.75	$ 500.00
4.51 Utilities/Facility	$ 4,855.58	$ 25,414.27	$ 42,450.00
4.61 Meeting Expense	$ 17.25	$ 628.59	$ 750.00
4.63 Cleaning Service	$ 210.00	$ 1,700.00	$ 2,000.00
4.71 Undesignated	$ -	$ 3,475.49	$ 200.00
Office Expense Subtotal	**$ 5,483.54**	**$ 39,878.60**	**$ 61,650.00**

Professional Services			
5.12 Audit	$ -	$ -	$ 13,000.00
5.21 Bank Charges	$ -	$ 2,253.02	$ 3,000.00
5.31 Legal Representation	$ -	$ 1,418.50	$ 3,000.00
5.41 Legal Notices	$ 28.05	$ 988.75	$ 3,000.00
5.51 Bonding/Insurance	$ 16,135.00	$ 26,180.00	$ 35,000.00
Professional Services Subtotal	**$ 16,163.05**	**$ 30,840.27**	**$ 57,000.00**
Capital Expenses			
6.11 Equipment	$ -	$ 3,696.44	$ 3,000.00
6.21 Lease	$ 49.74	$ 541.40	$ 4,000.00
6.41 Building Expense	$ -	$ -	
Capital Expenses Subtotal	**$ 49.74**	**$ 4,237.84**	**$ 7,000.00**
Project Expenses			
7.41 Public Affairs	$ -	$ -	$ -
7.43 Educator	$ -	$ -	$ -
7.44 Reimbursable Public Affairs	$ -	$ -	$ -
7.45 Reimbursable Sale Tax Expense	$ 738.14	$ 2,379.96	$ -
Project Expenses Subtotal	**$ 738.14**	**$ 2,379.96**	**$ -**
Reserves			
12.1 Reserve	$ -	$ -	**$ 30,000.00**
Total Expenses	**$ 66,279.08**	**$ 281,492.85**	**$ 267,550.00**

Shell Rock River Watershed District
Project Fund Financial Statement
2023

Income:	September	Year to Date	Budget
AA Local Sales Tax	$ 180,205.54	$ 1,507,115.91	$ 1,500,000.00
AA. 1 Bond Fund Levy	$ -	$ -	$ 178,625.00
BB Reimbursements	$ -	$ -	$ -
BB 19 L-SOHC Grant VII	$ -	$ 453,363.30	$ 225,000.00
BB 22 L-SOHC Grant Phase VIII	$ -	$ 78,400.13	$ 1,250,300.00
BB 23 L-SOHC Grant Phase IX	$ -	$ 11,209.84	$ 845,000.00
BB 24 L-SOHC Grant Phase X	$ -	$ 7,072.72	$ 170,000.00
BB 24 L-SOHC Grant Phase XI	$ -	$ 11,264.83	$ 1,438,000.00
BB 26 BWSR Implementation Grant	$ -	$ 161,064.00	
BB Reimbursement	$ -	$ 18,955.00	$ -
CC Loan	$ -	$ -	$ -
CC 01 MN CWP Loan	$ -		
DD Investment Income	$ 8.28	$ 417.30	$ -
EE Other Income	$ -	$ 12,107.00	
2022 Carry Over	$ -	$ -	$ 1,500,000.00
Total Income	**$ 180,213.82**	**$ 2,260,970.03**	**$ 7,106,925.00**

Checking US Bank	$	**617,348.52**
Savings Account Balance	$	**499,681.59**
Debt Service Fund	$	**60,359.07**
BWSR Targeted Watershed Fund	$	**161,065.12**
Accentra Savings Acct Balance	$	**30,208.03**
September Receipts	$	**180,213.82**
September Disbursements	$	**(40,748.11)**
Project Account Balance 9-30-23	$	**1,508,128.04**

Expenses:	September	Year to Date	Budget
100 Erosion and Water Control			
101 Legal & Professional	$ 3,772.50	$ 5,418.00	$ 2,500.00
102 Engineering/Technician	$ -	$ -	
102.1 Engineering	$ -	$ -	$ 5,000.00
102.2 Admin. Technician Reimb.	$ 33,900.15	$ 90,509.43	$ 210,000.00
102.3 Wedge Creek Restoration	$ -	$ -	
102.7 FL In Lake Habitat	$ 9,287.50	$ 53,977.47	
103 Studies	$ -	$ -	$ -
104 Projects	$ -		$ -
104.1 District Cost-Share Program	$ -	$ 150.00	$ 1,000.00
104.3 W/C Wetland	$ -	$ -	$ -
104.4 Upper Twin Water	$ -	$ -	$ -
104.5 Wedge Creek Reach 1 Veg Restoration	$ -	$ -	$ -
104.8 W/C Wetland Property Phase VI	$ -	$ -	$ -
104.11 iller Tract	$ -	$ 37.50	
104.13 Headwaters Streambank Restoration	$ -	$ -	$ -
104.18 IC&E Wetland Phase VI	$ -	$ -	$ -
104.15 SRR Streanbank Restoration	$ -	$ 80,127.06	$ -
104.17 Orr Wetland Restoration	$ -	$ 419,643.00	$ 223,000.00
104.19 IC&E Wetland Phase X	$ -	$ -	$ -
104.20 Fountain Lake In-lake Restoration	$ -	$ -	$ 1,250,800.00
104.21 Panicum Prairie Enhancement	$ -	$ -	$ 427,500.00
104.25 Bancroft Streambank Enhancement	$ 6,000.00	$ 6,000.00	
104.99 Insurance	$ -	$ -	
105 Equipment	$ -	$ -	$ 40,000.00
106 Miscellaneous/Outreach	$ -		$ -
107 Project Maintenance	$ -	$ -	$ 1,500.00
Total Erosion and Water Control	**$ 52,960.15**	**$ 655,862.46**	**$ 2,161,300.00**

260 BWSR Implementation Grant	$ -	$ -	
261 Legal & Professional	$ -	$ 1,912.50	
262 Engineering	$ -	$ -	
262.1 Engineering	$ -	$ -	
262.2 Admin Technician Reimb.	$ -	$ -	$ 30,000.00
264 Project	$ -	$ -	
264.1 Cost Share	$ -	$ -	$ 100,000.00
264.2 Rain Gardens	$ -	$ -	$ 77,000.00
264.3 Well Sealing	$ -	$ -	$ 10,000.00
264.4 Street Sweeping	$ -	$ 25,000.00	$ 40,000.00
264.5 Septic Upgrades	$ -	$ -	$ 20,000.00
264.6 Project Development	$ -	$ -	$ 20,000.00
264.7 Education/Outreach	$ -	$ -	$ 25,128.00
	$ -	$ 26,912.50	$ 322,128.00
400 Subwatershed Projects			
401 Legal & Professional	$ 14,616.63	$ 46,322.11	$ 5,000.00
402 Engineering/Technician	$ -	$ -	
402.1 Engineering	$ -	$ -	$ -
402.2 Admin. Technician Reimb.	$ 6,099.85	$ 78,982.33	$ 156,000.00
402.6 Pickerel Lake Dam	$ -	$ -	$ -
402.7 Lower Twin Lake Fish Barrier	$ -	$ -	$ -
403 Studies	$ -	$ -	$ -
404 Projects	$ 7.77	$ 17,152.86	$ -
404.21 1Watershed 1Plan	$ -	$ -	$ -
404.22 Schroeder Property	$ -	$ 34.04	
404.23 Church Lake Property	$ -	$ 421.73	
404.24 Orr Property	$ -	$ 382.38	
404.26 Glenville Property	$ -	$ -	$ -
404.27 Bancroft Property	$ -	$ 616.23	$ -
404.28 Belshan Property VII	$ -	$ 101,513.98	$ -
404.29 Belshan Property X	$ -	$ 7,555.00	$ -
404.30 Eberthart Property	$ 250.00	$ 3,225.00	
404.31 Bryson Property	$ 2,057.75	$ 7,435.24	
404.99 Insurance	$ -	$ -	
405 Equipment	$ -	$ 11,247.43	$ 45,000.00
406 Miscellaneous/Outreach	$ 2,333.33	$ 40,344.83	$ -
407 Project Maintenance	$ 787.85	$ 13,652.26	$ 2,500.00
Total Subwatershed Projects	**$ 26,153.18**	**$ 328,885.42**	**$ 208,500.00**
500 Dredging Elements			
501 Legal & Professional	$ 2,250.00	$ 4,981.85	$ -
502 Engineering/Technician	$ -	$ -	
502.1 Eng. Albert Lea Lake	$ -	$ -	$ -
502.2 Admin. Technician Reimb.	$ -	$ 16,665.34	$ 14,100.00
502.3 Eng. Fountain Lake	$ -	$ -	$ 30,000.00
503 Studies	$ -	$ -	$ -
504 Projects	$ -	$ -	$ -
504.1 Fountain Lake Land Pursuits	$ -	$ -	$ -
504.2 Dredging	$ -	$ -	$ 65,000.00
504.3 CDF	$ -	$ -	$ -
504.99 Insurance	$ -	$ -	$ -
505 Equipment	$ -	$ -	$ -
506 Miscellaneous/Outreach	$ -	$ -	$ -
507 Project Maintenance	$ -	$ -	$ 35,000.00
Total Dredging	**$ 2,250.00**	**$ 21,647.19**	**$ 144,100.00**

600 Water Monitoring					
601 Legal & Professional	$	-	$	-	$ -
602 Engineering/Technician	$	-			
602.1 Engineering	$	-	$	-	$ 5,000.00
602.2 Admin. Technician Reimb.	$	-	$	10,271.96	$ 20,000.00
603 Studies	$	-	$	-	$ 14,000.00
604 Projects	$	-	$	-	$ -
604.1 TMDL Implementation	$	-	$	-	$ -
604.2 SWAG Grant	$	-	$	-	
604.99 Insurance	$	-	$	-	
605 Infrastructure	$	-	$	57,153.95	$ 1,000.00
606 Miscellaneous	$	-	$	-	$ -
607 Project Maintenance	$	-	$	-	$ 1,000.00
Total Water Monitoring	**$**	**-**	**$**	**67,425.91**	**$ 41,000.00**
800 Reserve					
804 Projects	$	-	$	-	
804.1 Projects/Cash reserve	$	-	$	-	1,831,025.00
Total Project/Cash Reserve	$	-	$	-	1,831,025.00
805 Grants	$	-	$	-	
804.9 L-S Phase IX	$	-	$	-	795,000.00
804.10 L-S Phase X	$	-	$	-	170,000.00
804.9 L-S Phase XI	$	-	$	-	1,438,000.00
Total Grant Reserves	$	-	$	-	2,403,000.00
Total Reserves					4,234,025.00
900 Debt Services					
901 Debt Expense	$	-	$	21,273.75	$ 58,000.00
902 Bond Funds	$	-	$	-	$ 110,000.00
903 MPCA Loan Payment	$	-	$	75,000.00	$ 150,000.00
Total Debt Services	**$**	**-**	**$**	**96,273.75**	**$ 318,000.00**
Total Disbursements	**$**	**81,363.33**	**$**	**1,197,007.23**	**$ 7,106,925.00**

Shell Rock River Watershed District
Unpaid Bill Detail
October 3, 2023

Al Bakken				
Reg. Meetings	1.11 Regular Meetings	$ 165.00		
Spec. Meetings	1.12 Special Meetings	$ 55.00		
				$220.00
Mike Hanson				
Reg. Meetings	1.11 Regular Meetings	$ 110.00		
			$	110.00
Mick Delger				
Reg. Meetings	1.11 Regular Meetings	$ 110.00		
Spec. Meetings	1.12 Special Meetings	$ 55.00		
			$	165.00
Joe Pacovsky				
Reg. Meetings	1.11 Regular Meetings	$ 165.00		
			$	165.00
Mike Lee				
Reg. Meetings	1.11 Regular Meetings	$ 165.00		
			$	165.00
Brad Kramer				
Reg. Meetings	1.11 Regular Meetings	$ 165.00		
Spec. Meetings	1.12 Special Meetings	$ 55.00		
			$	220.00
Dan DeBoer				
Spec. Meetings	1.12 Special Meetings	$ 110.00		
			$	110.00
Leah Stadheim				
Mileage	2.32 Staff Mileage	$ 23.58		
			$	23.58
Andy Henschel				
Auigust Expenses	2.21 Administrator Travel	$ 116.59		
September Expenses	2.21 Administrator Travel	$ 548.37		
			$	664.96
Payroll				
Payroll	2100 Payroll Liabilities	$ 43,783.11		
			$	43,783.11
Verizon Wireless				
Cell Phone Service	4.21 Telephone & Internet	$ 368.65		
			$	368.65
US Bank				
Office Expenses	4.31 Postage	$ 119.99		
Project Expense	7.45 Reimbursable Project Expense	$ 5.00		
Expressvpn	4.42 Software	$ 116.95		
Meeting Expense	4.61 Meeting Expense	$ 45.77		
			$	287.71
Freeborn Mower Cooperative Services				
Utilities	4.51 Utilities/Facility	$ 443.00		
			$	443.00
Minnesota Energy				
Utilities	4.51 Utilities/Facility	$ 47.91		
			$	47.91
Church Offset Printing				
Inv# 131413	4.61 Meeting Expense	$ 228.62		
			$	228.62
City of Albert Lea				
Utilities	4.51 Utilities/Facility	$ 60.71		
			$	60.71
League of MN Citites				
Insurance Pymet	5.51 Bonding/Insurance	$ 9,076.00		
			$	9,076.00
Culligan				
Water Service	6.21 Lease	$ 49.74		
			$	49.74

Katie's Cleaning				
Cleaning Service	4.63 Cleaning Service	$ 140.00		
			$	140.00
Spectrum				
Statement	4.21 Telephone & Internet	$ 177.97		
			$	177.97
Albert Lea Tribune				
Ad# 1699178	5.41 Legal Notices	$ 31.45		
Ad# 1694872	5.41 Legal Notices	$ 207.40		
			$	238.85
		TOTAL		**$56,745.81**

SRRWD Secretary

SRRWD Treasurer

Project Fund- Shell Rock River Watershed District
Unpaid Bill Detail
October 3, 2023

Freeborn-Mower Cooperative Services				
Acct# 1946200	404 Subwatershed Project	$	104.00	
Acct# 2111800	404 Subwatershed Project	$	141.00	
Acct# 2077100	404 Subwatershed Project	$	90.00	
Acct# 2878000	404 Subwatershed Project	$	56.00	
Acct# 1206500	404 Subwatershed Project	$	68.00	
				$ 459.00
Verizon Wireless				
April Statement	404 Subwatershed Project	$	148.45	
				$ 148.45
Thompson Sanitation, Inc.				
Acct 10837	407 Subwatershed Project	$	117.43	
				$ 117.43
Conservation Strategies				
August Statement	406 Subwatershed Project	$	2,333.33	
				$ 2,333.33
Bomgaars				
Inv# 80935785	405 Subwatershed Project	$	9.87	
				$ 9.87
MN Dept. of Natural Resources				
Inv#2023-2837	104 Erosion and Water Control	$	7,500.00	
				$ 7,500.00
The Albert Lea Tribune				
Ad# 1697352	104 Erosion and Water Control	$	164.90	
				$ 164.90
Tech Sales				
Inv# 327334	605 Water Monitoring	$	5,857.61	
				$ 5,857.61
Conservation Corp[MN & Iowa				
Inv# 14326	104 Erosion and Water Control	$	9,800.00	
				$ 9,800.00
ISG				
Inv# 96597	104 Erosion and Water Control	$	12,436.25	
Inv# 96702	104 Erosion and Water Control	$	1,028.75	
Inv# 96704	104 Erosion and Water Control	$	1,045.00	
				$ 14,510.00
		Total		$40,900.59

SRRWD, Secretary

SRRWD Treasurer

1. 2023 3rd Qtr. Reimbursement to Administration account from Non Property tax account

	Account in	Amount	Account transferred to
Administrator Wages	1.21	$7,600.43	102
Administrator Wages	1.21	$10,133.90	402
Administrator Wages	1.21	$7,600.43	502
Secretary Wages	1.22	$5,718.70	402
Secretary Wages	1.22	$1,906.23	602
Financial Clerk Wages	1.26	$7,431.85	102
Financial Clerk Wages	1.26	$7,431.85	402
Summer Intern	1.24	$2,422.50	402
Summer Intern	1.24	$5,652.50	602
Program/Project Manager	1.27	$10,506.20	102
Program/Project Manager	1.27	$8,404.96	402
Program/Project Manager	1.27	$2,101.24	602
Employer SS & Med	1.31	$1,953.69	102
Employer SS & Med.	1.31	$2,609.56	402
Employer SS & Med.	1.31	$581.43	502
Employer SS & Med.	1.31	$738.99	602
Health Ins	1.32	$4,420.00	102
Health Ins	1.32	$6,970.00	402
Health Ins	1.32	$1,020.00	502
Health Ins	1.32	$1,190.00	602
PERA	1.34	$1,728.24	102
PERA	1.34	$2,158.80	402
PERA	1.34	$532.03	502
PERA	1.34	$280.52	602
Administrator Mileage	2.21	$179.50	102
Administrator Mileage	2.21	$239.34	402
Administrator Mileage	2.21	$179.50	502
Technician Mileage	2.22	$80.24	102
Technician Mileage	2.22	$166.43	402
Technician Mileage	2.22	$254.59	602
Insurance	5.51	$9,000.00	104.99
Insurance	5.51	$9,000.00	404.99
Insurance	5.51	$6,636.00	604.99
Project Expense	7.45	$1,719.96	407
Project Expense	7.45	$610.00	605

TOTAL $129,159.62

Resolution 2023-08
Plan Approval
Fountain Lake In-lake Habitat Restoration Project

WHEREAS, The Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the "District") is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the "Plan");

WHEREAS, project goals and objectives set forth in the Plan include:

- Maintain water quality and clarity in Fountain Lake;
- Improve and enhance waterfowl habitat;
- Prevent further erosion on lakeshore habitat;
- Improve and enhance game fish habitat.

WHEREAS, the Fountain Lake In-lake Habitat Restoration, project 2019-02, was initiated on June 25, 2019 by Resolution 2019-13;

WHEREAS, the Board of Managers having reviewed the Project Plan, and has determined that approval of the Project Plan will further the objectives of the Plan;

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE, the Board of Managers hereby finds that the Project has the potential to promote the public interest and welfare, is practicable, and conforms to the watershed management plan as set forth above.

NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District:

Sec. 1: Approves the Fountain Lake In-lake Habitat Restoration Project Plan as presented by ISG; and

Sec. 2: Authorizes District staff to conduct work as needed to present this project to the Board for final review and public hearing as required by law.

Date: October 10, 2023

Michell Delger
SRRWD Board Chairman

Brad Kramer
SRRWD Board Vice Chairman

Resolution 2023-09
Establish Project 2019-02
Fountain Lake In-lake Habitat Restoration Project

WHEREAS, The Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the "District") is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the "Plan");

WHEREAS, the Fountain Lake In-lake Habitat Restoration, project 2019-02, was initiated on June 25, 2019 by Resolution 2019-13;

WHEREAS, the Board of Managers having reviewed the Project Plan, and has determined that approval of the Project Plan will further the objectives of the plan;

WHEREAS, The Project Plan was forwarded to the Board of Water and Soil Resources and Department of Natural Resources for their review and comment BWSR comments were received by letter dated August 18, 2023;

WHEREAS, On October 10, 2023, by Resolution 2023-08, the Board of Managers approved the specifications for the Project (the "Final Project Plan");

WHEREAS, a public hearing was held on October 10, 2023 to review the project plan;

THEREFORE, the Board of Managers hereby finds that the proposed Fountain Lake In-lake Restoration Project has the ability to promote the public interest and welfare in conformity with the watershed management plan as set forth above.

NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District hereby:

Sec. 1: Establishes Project No.2019-02 Fountain Lake In-lake Habitat Restoration Project;

Sec. 2: Authorizes District Staff to complete the Project as set forth in the Final Project Plan; and

Sec. 3: Authorizes the District Staff to obtain quotes; request for approvals and enter into any other agreements or contracts necessary to complete the project.

Date October 10, 2023

Mitchell Delger
SRRWD Board Chairman

Brad Kramer
SRRWD Board Vice Chairman

OPTION AGREEMENT

This Option Agreement is made and entered into this _____ day of _____, 2023, by and between I-35 Development Co., whose principal address is 22967 Trailside Way, Albert Lea, MN 56007, hereinafter referred to as ("Seller"), and the Shell Rock River Watershed District, a political subdivision under the laws of Minnesota, whose principal address is 305 South 1st Avenue, Albert Lea, Minnesota 56007, hereinafter referred to as ("Purchaser"), and together herein sometimes referred to as the "Parties."

WHEREAS, Seller is the fee simple owner of certain real property lying in the County of Freeborn, State of Minnesota, such property being legally described as follows:

See attached Exhibit A, (PID# 342110040).

hereinafter referred to as the "Property," and

WHEREAS, Purchaser desires to obtain an option to purchase the Property upon the terms and provisions as herein set forth.

NOW, THEREFORE, for One Thousand Dollars and no/100 ($ 1,000.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto and for the mutual covenants contained herein, Seller and Purchaser hereby agree as follows:

1. Definitions. For the purpose of this Agreement, the following terms shall have the following meanings:

A. "Execution Date" shall mean the day upon which the last party to this Agreement shall duly execute this Agreement;

B. "Option Payment" shall mean the total sum of One Thousand Dollars and no/100 ($1,000.00) in a non-refundable payment to Seller;

C. "Option Term" shall mean that period of time commencing at the Execution Date and ending on or before January 1, 2027, during which time Purchaser has the exclusive right to purchase the surveyed subpart of Property from Seller pursuant to paragraph 4.1 of this Agreement;

D. "Option Exercise Date" shall mean that date, within the Option Term, upon which the Purchaser shall send its written notice to Seller exercising its option to purchase; and

E. "Closing Date" shall mean the last day of the Closing Term or such other date during the Closing Term selected by Purchaser, and in no event shall the closing date be later than June 30, 2027, unless otherwise agreed to by the Parties in writing, or unless otherwise required in order to cure issues in title as required below.

F. "Closing Agent" shall mean a firm or natural person facilitating the closing of the transaction in the event the option herein is exercised. In the event an abstract or abstracts are provided to Seller, and at the discretion of the Purchaser, the Closing Agent shall be the law offices of Peterson, Kolker, Haedt & Benda, ltd. In the event no abstract or abstracts are provided, and a title commitment and title insurance are required, at the discretion of the Purchaser, the Closing Agent shall be Landmark Services, LLC (also referred to herein as "Abstract Agency" and/or "Title Insurance Agency").

2. Grant of Option. For and in consideration of the Option Payment payable to Seller as set forth herein, Seller does hereby grant to Purchaser the exclusive right and option ("Option") to purchase the Property upon the said terms and conditions as set forth herein.

3. Payment of Option Fee. Purchaser agrees to pay Seller the Option Payment on the Execution Date.

4. Exercise of Option. Purchaser may exercise its exclusive right to purchase the Property pursuant to the Option, at any time during the Option Term, by giving written notice thereof to Seller. As provided for above, the date of sending of said notice shall be the Option Exercise Date. In the event the Purchaser does not exercise its exclusive right to purchase the Property granted by the Option during the Option Term, Seller shall be entitled to retain the Option Fee, and this Agreement shall become absolutely null and void and neither party hereto shall have any other liability, obligation, or duty hereunder or pursuant to this Agreement.

5. Appraisal of Property. Purchaser shall facilitate and pay for an appraisal of the Property. Purchaser shall find and use an appraiser that is qualified and able to draft an appraisal that meets all Lessard-Sams Outdoor Heritage Council requirements. Seller shall be granted an opportunity to review the appraised value that is created pursuant to said appraisal. Should Seller find said appraised value unacceptable, Seller may cancel this Agreement. However, if Seller determines to cancel this Agreement based on an appraised value that is unsatisfactory to Seller,

Seller may not sell the Property to a purchaser other than the Shell Rock River Watershed District for less than the appraised value within one (1) year of canceling this Agreement without receiving written approval from the Shell Rock River Watershed District.

6. Contract for Purchase and Sale of Real Property. In the event that Purchaser exercises its exclusive right to purchase the Property as provided above, Seller agrees to sell and Purchaser agrees to buy the Property pursuant to the following terms and conditions:

A. **Purchase Price**. The purchase price shall be based on appraised value of the Property. The purchase price shall be in compliance with Appendix E of the Outdoor Heritage Council Grant Agreement under ML 2023, Ch. 40, Article 1, Section 2, Subd. 5(l), Shell Rock River Watershed Habitat Restoration Program Phase XII, and shall be payable in full at the time of Closing.

B. **Closing Date**. Buyer and Seller shall perform at the time of closing as follows:

i. Seller shall:

a. Draft, obtain, execute, and deliver, or any combination thereof, to the Closing Agent (with copies to Purchaser) any documents necessary to place Seller's title to the Property in the condition required by this Agreement, and make arrangements to have the Closing Agent record or file in the appropriate county land records;

b. Execute and deliver to Purchaser, or its assigns, the deed described in paragraph 8 below;

c. Execute and deliver to Purchaser an affidavit evidencing the absence of bankruptcies, judgments, or tax liens and evidencing the absence of mechanic's lien rights affecting the Property, unrecorded interests affecting the Property, persons in possession of the Property, and known encroachment or boundary line questions affecting the Property;

d. Execute and deliver to the Closing Agent, Purchaser, or other appropriate party all necessary federal income tax reporting forms;

e. Deliver to Purchaser any abstract of title or abstracts of title to the Property; and

f. Pay or provide evidence of payment of the following: The deed tax due upon the execution of the conveyance described in paragraph 8, levied or pending special assessments pursuant to the provisions of paragraph 7, and the Seller's pro-rata share of the real estate taxes for the year of closing as of the date of closing.

g. Provide possession to purchaser.

ii. Purchaser shall:

a. Tender the Purchase Price to Seller pursuant to the above provisions and in the form of a check, certified check, or other immediately available funds;

b. Pay or provide evidence of payment of the following: The portion of Purchaser's pro-rata share of real estate taxes and special assessments, if any; all costs associated with Purchaser's financing, if any; the recording fee due upon the recording of the deed from Seller to Purchaser; and

c. Pay all closing costs.

7. Title Examination. Title examination will be conducted as follows:

A. Promptly upon Purchaser's exercise of the Option, Seller shall furnish Purchaser an abstract of title or abstracts of title to the Property. Purchaser shall deliver said abstracts to an Abstract Agency and shall request certification to a current date to include all appropriate judgment, bankruptcy, lien and tax searches. Purchaser shall be responsible for the cost associated with updating and certifying said abstract or abstracts. If an abstract of title or abstracts of title to the Property do not exist or cannot be found, a Title Commitment and Title Insurance Policy shall be purchased by Purchaser, instead, for Purchaser's sole benefit.

B. Within thirty (30) days after receiving an abstract of title updated to a current date or title commitment certified to a current date for the Property, Purchaser will make written objections ("Objections") to the form and/or contents of the abstract of title or title commitment. Purchaser's failure to make Objections within such time period will constitute waiver of Objections. Any matter shown in the abstracts of title and not objected to by Purchaser shall be a "permitted encumbrance" hereunder. However, any matter shown in any title commitment or title insurance policy that will need to be cured as a requirement of the Title Insurance Agency prior to issuing insurable title shall be considered an Objection automatically without any notice provided by Purchaser. Seller will be provided a copy of the title commitment, if one is procured. Seller will have one hundred twenty (120) days after receipt of Objections to cure the Objections, during which period the Closing will be postponed as necessary. Seller shall use its best efforts to correct

any Objections. If the Objections are not cured within such one hundred twenty (120) day period, Purchaser will have the following options:

i. Terminate this Agreement.

ii. Withhold from the Purchase Price an amount which, in the reasonable judgment of Purchaser, is sufficient to assure cure of the Objections. Any amount so withheld shall be placed in escrow with the Closing Agent pending such cure. If Seller does not cure such Objections within ninety (90) days after such escrow is established, Purchaser may then cure such Objections and charge the costs of such cure (including reasonable attorneys' fees) against the escrowed amount. If such escrow is established, the parties agree to execute and deliver such documents as may be reasonably required by the Closing Agent, and Seller agrees to pay the charges of the Closing Agent to create and administer the escrow.

iii. Waive the Objections and proceed to close.

C. If title is marketable, or is made marketable as provided herein, and Purchaser defaults in any of the agreements herein, Seller may elect the following option, as permitted by law:

i. Cancel this contract as provided by statute and retain all payments made hereunder as liquidated damages.

8. Real Estate Taxes and Special Assessments. The parties shall pro-rate the real estate taxes and special assessments due therewith, if any, for taxes due and payable in the year of closing on a per diem basis using a calendar year to the Date of Closing. The parties shall pro-rate the real estate taxes using current year real estate tax information, if available, and if current year tax information is not available, using the amount of the real estate taxes due and payable in the year immediately preceding the year of closing. Any such pro-ration shall be final, and no subsequent adjustments, refunds, or additional payments shall be made.

9. Conveyance Terms. In the event Purchaser exercises its Option herein and upon Purchaser's full performance of Purchaser's obligations under this Agreement, at closing, Seller shall execute and deliver to Purchaser a warranty deed conveying fee title to the Property to Purchaser, or its assigns, subject only to:

i. Building, zoning, and subdivision statutes, laws, ordinances and regulations;

ii. Restrictions relating to use or improvement of the Property without effective forfeiture provisions;

iii. Reservations of any mineral rights by the State of Minnesota; and

iv. Utility and drainage easements which do not interfere with existing improvements.

10. Miscellaneous, Execution by Both Parties.

A. **Binding Effect**. This Agreement shall not become effective and binding until fully executed by both Purchaser and Seller.

B. **Notice**. All notices, demands and/or consents provided for in this Agreement shall be in writing and shall be delivered to the parties hereto by hand, by United States Mail with postage prepaid, or by email if acknowledged by the receiving party. Such notices shall be deemed to have been served on the date mailed and to Seller at 641 Botsford Ave, Albert Lea, MN 56007 and to Purchaser at Shell Rock River Watershed District, Attn.: District Administrator, 305 South 1st Avenue, Albert Lea, Minnesota 56007, or at such other address as either may specify to the other in writing.

C. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

D. **Successors and Assigns**. This Agreement shall apply to, inure to the benefit of, and be binding upon and enforceable against the parties hereto and their respective heirs, successors, and/or assigns to the extent as if it is specified at length throughout this Agreement.

E. **Time**. Time is of the essence of this Agreement.

F. **Headings**. The headings inserted at the beginning of each paragraph and or subparagraph are for convenience of reference only and shall not limit or otherwise affect or be used in the construction of any terms or provisions hereof.

G. **Cost of this Agreement**. Any cost and/or fees incurred by the Purchaser or Seller in executing this Agreement shall be borne by the respective parties incurring such cost and/or fee.

H. **Entire Agreement**. This Agreement contains all the terms, promises, covenants, conditions, and representations made or entered into by or between Seller and Purchaser and supersedes all prior discussions and agreements whether written or oral, between Seller and Purchaser with respect to the Option and all other matters contained herein and constitutes the sole and entire Agreement between Seller and Purchaser with respect thereto.

I. **No Modification**. This Agreement may not be modified or amended unless such amendment is set forth in writing and executed by both Seller and Purchaser with the formalities hereof.

J. **No Contra Proferentem**. This Agreement resulted from arms-length negotiations and no provisions of this Agreement shall be construed as if it had been written, propounded or offered by any party to the other party.

K. **Immunity.** Any and all claims brought by Seller, its successors or assigns, shall be subject to any governmental immunity defenses of the Grantee and the maximum liability limits provided under Minnesota Statute Chapter 466.

L. **Independent Advice of Counsel.** This Agreement has been drafted by Peterson, Kolker, Haedt & Benda, Ltd. at the request of the Purchaser. Peterson, Kolker, Haedt & Benda is not providing legal advice to the Seller and the Sellers acknowledge no legal advice has been provided to them by Peterson, Kolker, Haedt & Benda regarding this Agreement. The individuals are further advised to seek independent legal counsel regarding this Agreement. Seller has carefully read and fully understands the terms of this Agreement. Seller enters into this Agreement voluntarily and of his/her own free will, after having the opportunity to consult with legal counsel to the full extent deemed necessary, and with sufficient time for consideration. Seller states that his/her willingness to enter into this Agreement was not induced by, or based upon, any representations by any individual who has not signed this Agreement.

M. **Counterparts.** This Agreement may be signed in counterparts. Each counterpart shall constitute a duplicate original. To facilitate execution, duplicate signature pages may be executed by Seller and Purchaser with the same force and effect as if Seller and Purchaser had signed on the same page.

N. **Brokers.** Seller and Purchaser represent that neither have dealt with any broker or agent in connection with this transaction. Each party hereby indemnifies and holds harmless the other party from all loss, cost and expense (including reasonable attorney's fees) arising out of a breach of its representation or undertaking set forth in this paragraph. The provisions of this paragraph shall survive closing or the termination of this Agreement.

The Remainder of This Page Has Been Left Intentionally Blank. Signature Pages Follow.

IN WITNESS WHEREOF, the parties attached have caused this Agreement to be executed.

SELLER
I-35 DEVELOPMENT CO

Dated: _____ _____

By: Thomas A. Leland
Its: Authorized Signor

Dated: _____ _____

By: Allen C. Larson
Its: Authorized Signor

STATE OF MINNESOTA)
) ss.
COUNTY OF FREEBORN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by Thomas A. Leland, authorized signor of I-35 Development Co.

_____
Signature of Person Taking Acknowledgment

STATE OF MINNESOTA)
) ss.
COUNTY OF FREEBORN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by Allen C. Larson, authorized signor of I-35 Development Co.

_____
Signature of Person Taking Acknowledgment

SHELL ROCK RIVER WATERSHED DISTRICT,
A POLITICAL SUBDIVISION UNDER
MINNESOTA LAW

Dated: _____ _____

By: Mick Delger
Its: Chair

Dated: _____ _____

By: Mike Hanson
Its: Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF FREEBORN)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by Mick Delger, Chair of Shell Rock River Watershed District, a political subdivision under Minnesota law.

_____
Signature of Person Taking Acknowledgment

STATE OF MINNESOTA)
) ss.
COUNTY OF FREEBORN)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by Mike Hanson, Secretary of Shell Rock River Watershed District, a political subdivision under Minnesota law.

_____
Signature of Person Taking Acknowledgment

DOCUMENT DRAFTED BY:
Austin J. White
PETERSON, KOLKER, HAEDT & BENDA, LTD.
1811 Broadway Avenue S.E.
Albert Lea, MN 56007
(507) 373-6491
Fax: (507) 373-7863
awhite@albertlealaw.com

Exhibit A

All that part of Lot 2 in Mortenson Subdivision in the E 1/2 SE 1/4 Section 3-T102N-R21W, as the same is platted and recorded in the office of the County Recorder of Freeborn County, Minnesota, described as follows:

Commencing at the northwest corner of said Lot 2, Mortenson Subdivision;
Thence North 89°31'30'' East a distance of 854.48 feet, on the north line of said Lot 2, to a point on the westerly right-of-way line of Trunk Highway No. 65;
together with all hereditaments and appurtenances belonging thereto.
thence Southwesterly on the westerly right-of-way line of said Trunk Highway No. 65, as follows: Southwesterly a distance of 120.97 feet, on a nontangential curve, concave to the northwest with a central angle of 03°44'50'', a radius of 1849.65 feet, and a chord bearing of South 25°00'38'' West;
North 63°06'57'' West a distance of 50.00 feet, on a radial line;
Southwesterly a distance of 188.46, on a nontangential curve, concave to the northwest with a central angle of 06°00'00'', a radius of 1799.65 feet, and a chord bearing of South 29°53'03'' West,
South 57°06'57'' East a distance of 35.00 feet, on a radial line;
Southwesterly a distance of 137.31 feet, on a nontangential curve, concave to the northwest with a central angle of 04°17'16'', a radius of 1834.85 feet, and a chord bearing of South 35°01'41'' West;
South 37°08'28'' West a distance of 164.10 feet, on a tangential line;
Southerly a distance of 417.83 feet, on a tangential curve, concave to the east with a central angle of 90°00'00'', a radius of 266.00 feet, and a chord bearing of South 07°51'32'' East;
South 52°51'32'' East a distance of 121.39 feet, on said right-of-way line and a southeasterly extension thereof, to a point on the easterly line of said Lot 2;
thence South 17°08'13'' West a distance of 102.86 feet, on the easterly line of said Lot 2;
thence Southwesterly a distance of 1005.27 feet, on the easterly line of said Lot 2, on a tangential curve, concave to the northwest with a radius of 1433.47 feet and a central angle of 40°10'50'', and a chord bearing of South 37°13'37'' West;
thence South 57°19'02'' West a distance of 22.74 feet, on a tangential line, on the easterly line of said Lot 2, to the southerly-most corner of said Lot 2;
thence North 00°36'03'' West a distance of 1846.22 feet, on the west line of said Lot 2, to the point of beginning;
subject to highway easement on the easterly-most side thereof.

CONSERVATION EASEMENT

This is a PERPETUAL CONSERVATION EASEMENT (the "Easement") granted by Ann E. Bryson, a single person, the ("Owner") to the Shell Rock River Watershed District, a political subdivision under the laws of Minnesota, whose principal address is 305 S 1st Ave, Albert Lea, Minnesota 56007, (the "District").

This Conservation Easement Agreement is made and entered into as of _____.

BACKGROUND

A. OWNER. The Owner is the current owner of the real estate described on the attached Exbibit A (the "Protected Property").

B. DISTRICT. The District is a political subdivision under the laws of Minnesota organized and operated to implement reasonable and necessary improvements to water-related and other natural resources of the District. The District is an organization qualified to hold conservation easements under Minnesota law and Section 170(c) of the Internal Revenue Code and related regulations, possessing the commitment to protect the conservation purpose of this conservation easement (the "Conservation Purpose") and the resources to enforce the restrictions.

The Protected Property is located at 22374 670th Avenue, Alden, MN 56009.

The Protected Property consists of 41.06, plus or minus, acres of real estate, and an access road.

There are no existing improvements on the Protected Property.

The Protected Property consists of high-quality natural resources that provide multiple benefits to natural buffers to water resources.

The natural attributes of the Protected Property include terrestrial and aquatic uses.

This Easement is consistent with the District's mission and 10-year Management Plan.

C. CONSERVATION VALUES. Collectively and individually, the following components outlined below

comprise the District's "Conservation Values" in reference to the Protected Property:

1. The District desires to stabilize and restore streambanks to decrease downstream loading sediment.

2. The District desires to conserve topsoil in the Shell Rock River Watershed District and hold more soil on the land.

3. The District desires to control and prevent lake shore erosion and restore eroded shorelines.

4. The District desires to reduce internal loading of phosphorus from the District's interconnected lakes and streams.

5. The District desires to reduce carp numbers in lakes and restrict their movements.

6. The District desires to reduce sediment, nutrient, and bacteria transport through drainage systems into surface waters.

7. The District desires to achieve a net reduction in pollutant generation from urban areas by revising and applying the District's rules.

8. The District desires to restore flood plain connections to streams and lakes, preserve existing floodplain.

9. The District desires to use the habitat restoration program to restore retention to the agricultural landscape through wetland restoration and control drainage.

10. The District desires to use the Albert Lea development review process to ensure that there is no increase in large storm discharge from development projects and no increase in flood potential downstream due to development projects.

11. The District desires to restore drained wetlands for flood attenuation and wildlife benefits.

12. The District desires to restore wetland functions and values to degraded wetlands.

13. The District desires to protect groundwater in geologically sensitive areas by not promoting infiltration.

14. The District desires to conserve and restore upland and wetland to provide natural buffering to upstream pollutants and to hold back flood water.

15. The District desires to restore desirable fish, waterfowl, and wildlife habitat.

16. The District desires to enhance native vegetation to increase fish habitat areas and waterfowl nesting areas.

17. The District desires to preserve remaining original oak woodland and wet/upland prairie plant communities.

These Conservation Values have not been and are not likely to be significantly impaired by the

continued use of the Protected Property as described herein or as authorized in this Easement or by the use, maintenance, or construction of any structures and improvements that are authorized below.

The preservation and protection of these Conservation Values will provide significant benefit to the public.

D. CONSERVATION POLICY. Protection and enhancement of the Conservation Values of the Protected Property is consistent with, and will further, delineated governmental policies including those established by the following:

M.L. 2021, First Special Session, Chp. 6, Art. 6, Sec. 2, Subd. 09k, Precision Acquisition for Restoration, Groundwater Recharge, and Habitat to acquire and restore to wetland a key parcel of land to reduce downstream flooding while providing water storage, groundwater recharge, nutrient reduction, and pollinator and wildlife habitat.

Minnesota Statutes Chapter 103D.201 which specifically promotes the general purpose of conservation of the natural resources of the state by land use planning, flood control, and other conservation projects by using sound scientific principles for the protection of the public health and welfare and the provident use of the natural resources.

Minnesota Statutes Chapter 103A, which promotes protection of Minnesota's waters and their adjacent lands, and Minnesota Statutes Section 103A.206 in particular, which recognizes the economic and environmental importance of maintaining and enhancing the soil and water resources of this state and the role of private lands in these conservation efforts to, among other things, preserve natural resources, protect water quality, preserve wildlife, and protect public lands and waters.

Minnesota Statutes Section 103A.201, which specifically promotes the protection of wetlands, and Minnesota Statutes Section 103A.202, which specifically declares that it is in the public interest to preserve the wetlands of this state to conserve surface waters, maintain and improve water quality, preserve wildlife habitat, reduce runoff, provide for floodwater retention, reduce stream sedimentation, contribute to improved subsurface moisture, and enhance the natural beauty of the landscape.

Minnesota Statutes Chapter 84C, which recognizes the importance of private conservation efforts by authorizing conservation easements for the protection of natural and scenic values of real property, assuring its availability for agriculture, forest, or open space use, protecting natural resources, and maintaining or enhancing air or water quality.

E. CONSERVATION INTENT. The Owner and District are committed to protecting and preserving the Conservation Values of the Protected Property in perpetuity. Accordingly, it is their intent to create and implement a conservation easement that is binding upon the current Owner and all future owners of the Protected Property and that conveys to District the right to protect and preserve the Conservation Values of the Protected Property for the benefit of this generation and generations to come.

CONVEYANCE OF CONSERVATION EASEMENT

Pursuant to the laws of the State of Minnesota, and in consideration of the facts recited above and the mutual covenants contained herein, and for the further consideration as described separately in a Purchase Agreement contemplating and affecting the conveyance of this Easement, the Owner hereby conveys and warrants to the District and its successors and assigns a perpetual conservation easement

over the Protected Property. This Easement creates a property right immediately vested in District and consists of the rights, terms, and restrictions set out below.

The Owner also conveys and warrants to District an easement for access to the Protected Property. The terms of this access easement are described in more detail in section 4 of this Easement.

1. CONSERVATION PURPOSE. The Conservation Purpose of this Easement is to provide significant public benefit by preserving and protecting in perpetuity the Conservation Values with regard to the Protected Property identified above as those values exist at the time of this conveyance and as they may evolve or be enhanced in the future.

   This Conservation Purpose is accomplished by confining the development, management and use of the Protected Property to activities and improvements that are consistent with the preservation of these Conservation Values, by prohibiting activities and improvements that significantly impair or interfere with these Conservation Values, and by providing for remedies in the event of any violation of this Easement.

2. RESTRICTIONS. Any activity or improvement on or use of the Protected Property in a manner that may significantly impair or interfere with a Conservation Value of the Protected Property or that is inconsistent with the terms or the Conservation Purpose of this Easement is prohibited.

   Except as specifically permitted in section 3 of this Easement and without limiting the general prohibition above, restrictions imposed upon the Protected Property expressly include the following:

   2.1 Industrial Activity. No industrial use of the Protected Property is allowed.

   2.2 Commercial Activity. No commercial use of the Protected Property is allowed except for that agricultural use, forest management, habitat management, minimal commercial recreational use as allowed by the Owner, or except as incidental to other uses or activities specifically permitted under this Easement.

   2.3 Agricultural Use. No agricultural use of the Protected Property is allowed except as specifically permitted in section 3 of this Easement. This includes and prohibits tilling, plowing, commercially cultivating row crops, keeping or grazing livestock, haying, feedlots, tree farms, orchards or nurseries. This does not include or prohibit keeping personal pets, beekeeping, maple syrup collection, or vegetation management activities allowed in section 2.13 of this Easement.

   2.4 Residential Use and Development. No residential use or development of the Protected Property is allowed except as specifically permitted in section 3 of this Easement.

   2.5 Division of the Protected Property. The Protected Property may not be divided, subdivided, or partitioned. The Protected Property may be conveyed only in its entirety as a single parcel under single ownership (joint or undivided) regardless of whether it now consists of separate parcels, was acquired as separate parcels, or is treated as separate parcels for property tax or other purposes.

   The general prohibition set our above does not prohibit the following:

   a. The division of the Protected Property when a portion of the Protected Property is being

conveyed to a conservation entity defined in section 6.1 of this Easement.

b. The correction or adjustment of boundary lines to resolve a bona fide ownership dispute.

2.6 Development Rights. No portion of the Protected Property may be used to satisfy land area requirements for other property not subject to this Easement for purposes of calculating building density, lot coverage, open space, or natural resource use or extraction under otherwise applicable laws, regulations, or ordinances controlling land use. The development rights that have been encumbered or extinguished by this Easement may not be transferred to any other property or used to obtain any regulatory mitigation credits.

2.7 Rights of Way. No new right of way shall be granted across the Protected Property by the Owner in conjunction with any industrial, commercial, or residential use or development of other land not protected by this Easement without the prior approval of the District. This provision does not affect any rights of way existing at the time of this conveyance.

2.8 Structures and Improvements. No temporary or permanent buildings, structures, utilities, roads or other improvements of any kind may be placed or constructed on the Protected Property except as specifically permitted in section 3 of this Easement or as set forth below:

a. Utilities. Utility systems and facilities may be installed, maintained, repaired, extended, and replaced to serve only uses and activities specifically permitted by this Easement.

Permitted utility systems and facilities include, without limitation, all systems and facilities necessary to provide on-site power, fuel, water, waste disposal, and communication. Permitted utility systems and facilities do not include communication towers, wind turbines, or similar structures without the prior approval of the District.

b. Signs. No billboards or other signs may be placed or erected on the Protected Property except for small, unlighted signs for informational or interpretive purposes that do not impair or interfere with the natural habitat or scenic qualities of the Protected Property and as approved by the District.

The Owner acknowledges and agrees that the District, as a recipient of a grant from the LCCMR for the acquisition of this Easement, may display as required and where practicable at access points to the Protected Property signs as required by the LCCMR.

c. Roads. Currently, access to the Protected Property is through a defined roadway. These existing roads, driveways and parking areas may be maintained or improved but may not be widened or relocated without the prior approval of the District.

No other roads, driveways or parking areas may be established or constructed on the Protected Property without the prior approval of the District.

d. Fences. Fences may be constructed, maintained, improved, replaced or removed to mark boundaries, to secure the Protected Property, or as needed in carrying out activities permitted by this Easement but only with the approval of the District which may be withheld for any reason.

2.9 Dumping. No trash, non-compostable garbage, debris, unserviceable vehicles or equipment, junk, other unsightly material or hazardous or toxic substances may be dumped or accumulated on the Protected Property. This does not prohibit burning or composting of excess brush or other plant material resulting from activities permitted by this Easement. This does not prohibit temporary placement of building materials, debris or refuse containers if incidental to activities and construction permitted by this Easement.

2.10 Mining and Extraction. No mining, drilling, exploring for, or removing any minerals, sand, gravel, rock, or fossil fuels from the Protected Property is allowed.

If the Owner is approached by or in contact with the owner of the minerals or mineral rights for the purpose of entering into any agreement or contract regarding the minerals or mineral rights, including a surface use agreement, the Owner shall obtain the prior approval of the District before executing any such agreement or contract. In the unlikely event that the exercise of a third party's right to any mineral interest results in the termination of this Easement, such termination shall be subject to the provisions of section 6.5 & 6.11 of this Easement.

2.11 Topography and Surface Alteration. Except as provided under this Easement, alterations and changes to the topography or surface of the Protected Property are prohibited.

This does not, however, include or prohibit surface alterations incidental to any construction or other activities or uses otherwise specifically permitted by this Easement. Any alteration resulting from an otherwise permitted activity or use shall be undertaken with minimal disturbance to soils, topography, and vegetation and with proper erosion control practices. At the conclusion of the activity, the surface shall be restored in a timely manner to a condition consistent with the Conservation Purpose of this Easement.

This provision does not include or prohibit creation, maintenance, restoration or enhancement of wildlife habitat or native biological communities otherwise permitted under section 3 of this Easement.

2.12 Water. No alteration, manipulation or diversion of natural watercourses, lakes, shorelines, wetlands or other surface or subsurface bodies of water or creation of new wetlands or water bodies is allowed except to restore or enhance wildlife habitat or native biological communities, to improve or enhance the function and quality of existing wetlands or water bodies or as specifically permitted in this Easement.

This does not prohibit installation of a berm or berms on the Protected Property by the District in an effort to retain more water thereon.

Any alteration or creation of wetlands, watercourses or water bodies must be undertaken in accordance with a habitat management plan and detailed action plan approved by the District under section 3 of this Easement.

No activities on or uses of the Protected Property that cause significant erosion or that significantly impair water quality or quantity are allowed.

2.13 Vegetation Management. No removal, cutting, pruning, trimming or mowing of any trees or other vegetation, living or dead, and no introduction of non-native species is allowed without

the express approval of the District.

2.14 Vehicles. Limited off-road use of motorized vehicles is allowed only in conjunction with agricultural or forest management operations or for habitat management, restoration or enhancement as permitted in section 3 below. However, motorized vehicles may be used only in a manner that does not result in significant erosion or impairment to or interference with the natural habitat, water quality or scenic quality of the Protected Property.

This provision is not intended to otherwise limit the use of motorized vehicles on roads or driveways permitted under this Easement or in conjunction with construction and maintenance of permitted buildings, structures, roads, trails and other improvements.

2.15 Treatment of Protected Property. Owner may not spray herbicide, pesticide, or any combination thereof on the Protected Property, and Owner may not allow another person to do the same. Additionally, Owner may not remove any vegetation from the Protected Property.

3. RESERVED RIGHTS. The Owner retains all rights associated with ownership and use of the Protected Property that are expressly granted below in paragraph 3. The Owner may not, however, exercise these rights in a manner that impairs or interferes with the Conservation Values of the Protected Property. Additionally, the Owner must give notice to the District before exercising any reserved right that might impair or interfere with a Conservation Value of the Protected Property.

The following rights are expressly reserved and the Owner may use the Protected Property as follows:

3.1 Right to Convey. The Owner may sell, give, lease, bequeath, devise, mortgage or otherwise encumber or convey the Protected Property. This right to convey the Protected Property is subject to the following provisions.

a. Covered Transactions. Any lease, deed or other conveyance or any encumbrance of the Protected Property is subject to this Easement.

b. Notice to New Owner. The Owner will reference this Easement in any deed or other document by which the Owner conveys title to or any interest in the Protected Property.

c. Notice to the District. The Owner will notify the District of any proposed conveyance of title to the Protected Property at least 60 days before closing. The Owner will also provide the District with the name and address of the new owner of the Protected Property and a copy of the deed transferring title within 15 days after closing. Notice and documents shall be sent to the District in accordance with this Easement.

d. Designated Representative. If the Protected Property is owned by a trust, business entity or any common or jointly held ownership, the Owner shall designate a representative authorized to receive notice on behalf of the Owner and the District with the name and address of the designated representative. The Owner shall notify the District of any change in the designated representative and provide the District with the new name, address and other contact information within fifteen (15) days after the change.

e. Notice of Action Affecting Easement. The Owner will also notify the District of any proposed condemnation or any claim, legal proceeding, foreclosure or other legal action that might affect title to the Protected Property or the validity or enforceability of this Easement.

The enforceability or validity of this Easement will not be impaired or limited by any failure of the Owner to comply with this section 3.1.

3.2 Other Uses. This section is not intended to restrict or prohibit personal pets, beekeeping, maple syrup collection, or vegetation management activities allowed in section 2.13 of this Easement.

3.3 Personal Access. Owner shall be allowed to access the Protected Property via foot and via non-invasive all terrain vehicle. Owner shall be responsible to repair any damage caused to the Protected Property, structures thereon, and the native plants, by Owner's access hereunder.

3.4 Habitat Management. The Protected Property may be used to create, maintain, restore, or enhance habitat for wildlife and native biological communities in accordance with a the District's plans outside of this Easement. Specific habitat management, restoration or enhancement activities are permitted in accordance with an additional detailed action plan approved by the District by its Board. The Owner may actively manage, enhance or restore the vegetation on the Protected Property only in accordance with this approved detailed action plan, or as otherwise permitted by the District.

4. THE DISTRICT'S RIGHTS AND REMEDIES. In order to accomplish the Conservation Purpose of this Easement to preserve and protect the Conservation Values of the Protected Property, the District has the following rights and remedies:

4.1 Rights Generally. The District has the right to preserve, protect, and enhance the Conservation Values of the Protected Property by taking any action necessary in the District's sole opinion to preserve, protect, and enhance the Conservation Values of the Protected Property as described above. These rights are not intended to restrict the District from use of the Protected Property in any way.

4.2 Right to Enter. the District has the right to enter the Protected Property at reasonable times and in a reasonable manner for the following purposes:

a. To inspect the Protected Property and to monitor compliance with the terms of this Easement.

b. To obtain evidence for use in seeking judicial or other enforcement of this Easement.

c. To survey or otherwise mark the boundaries of all or part of the Protected Property if necessary to determine whether there has been or may be a violation of this Easement. Any survey completed under this provision will be at the Owner's expense.

d. To otherwise exercise its rights under this Easement.

4.3 Access. In order to enter the Protected Property, the District may use the access route, as described with the Protected Property on Exhibit A, or any more convenient alternate approach to the Protected Property that the Owner is entitled to use now or may be entitled to use in the future.

4.4 Additional Affirmative Rights. The District reserves the right to restore, manage, or improve the Protected Property, to conduct ecological surveys or research, or to lead supervised field trips on the property.

4.5 Right of Enforcement. The District has the right to prevent or remedy violations of this Easement, including prohibiting the construction of buildings or improvements, through appropriate judicial action brought in any court of competent jurisdiction, or through other methods of dispute resolution, against the Owner or other responsible party.

a. Notice. The District may not initiate judicial action until the Owner has been given notice of the violation, or threatened violation, of this Easement and a reasonable opportunity to correct the situation. This provision shall not apply if in the District's sole discretion and exclusive judgment immediate judicial action is necessary to prevent or mitigate significant impairment to or interference with the Conservation Values of the Protected Property or if reasonable, good faith efforts to notify the Owner are unsuccessful.

b. Remedies. In enforcing this Easement, the District has the right to:

1. Temporary or permanent injunctive relief for any violation or threatened violation of this Easement.
2. Require restoration of the Protected Property to its condition at the time of this conveyance or as otherwise necessitated by a violation of this Easement.
3. Specific performance or declaratory relief.
4. Recover damages resulting from a violation of this Easement or injury to any Conservation Values associated with the Protected Property including attorney fees.

These remedies are cumulative and are available without requiring the District to prove actual damage to the Conservation Values of the Protected Property.

The District and the Owner agree that the damages created by a violation of this Easement may be determined by calculating the cost of acquiring a conservation easement over similar property.

The District and the Owner also recognize that restoration, regardless of cost, may be the only adequate remedy for certain violations of this Easement. The District is entitled to seek expedited relief, ex parte if necessary, and shall not be required to post any bond applicable to a petition for such relief.

c. Costs of Enforcement. The Owner shall be responsible for all reasonable costs incurred by the District in enforcing this Easement, including without limitation costs of suit, attorneys' fees, and expenses related to restoration of the Protected Property. If, however, the Owner ultimately prevails in a judicial enforcement action, each party

shall be responsible for its own costs and attorneys' fees.

d. Enforcement Decisions. The District does not waive or forfeit the right to take any action necessary to assure compliance with the terms of this Easement by any delay or prior failure of the District in discovering a violation or initiating enforcement proceedings. The District shall not be barred by any applicable statute of limitations in bringing any action to enforce the terms of this Easement.

e. Acts Beyond Owner's Control. The District may not bring an action against the Owner for any change to the Protected Property resulting from any of the following:

1. Causes beyond the Owner's control such as changes caused by fire, flood, storm, natural deterioration or the unauthorized acts of third parties.
2. Reasonable actions taken in good faith under emergency conditions to prevent or mitigate damage resulting from such causes.

Action by the Owner's lessees, agents, employees or contractors are not considered unauthorized acts of third parties.

This section does not preclude the Owner or the District from recovering damages or bringing an action against any third party for trespass or other violation of their respective rights in this Easement or in the Protected Property.

f. Right to Report. In addition to other remedies, the District has the right to report any environmental concerns or conditions or any actual or potential violations of any environmental laws to appropriate regulatory agencies.

g. Enforcement Rights of Others. Nothing in this Easement is intended to create any right to enforce this Easement in any third party where no such right otherwise exists under this Easement or under law.

4.6 Limitation on Rights. The District may exercise its right or responsibility control day-to-day operations on the Protected Property or to become involved in management decisions involving the use or disposal of hazardous substances or to otherwise become an operator of the Protected Property within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act, the Minnesota Environmental Response and Liability Act, or other similar successor federal, state or local statutes or laws regarding responsibility for environmental conditions associated with contamination.

4.7 Construction. The District may construct any structure, including earthen structures, in an effort to protect, preserve, and enhance the Conservation Values described herein. This may include roads, paths, and any other access routes. In addition to granting the District the ability to construct anything that will protect, preserve, and enhance the Conservation Values as described herein, and in no way limiting that ability, the District is explicitly granted the right to construct a Berm on the Protected Property that will significantly change the topography of the property, cause a significant amount of water to be pooled on the Protected Property, and reduce the above-water-accessible real estate within the Protected Property.

5. PUBLIC ACCESS. Although the public benefits from this Easement through the preservation and protection of the Conservation Values of the Protected Property, nothing in this Easement gives the

public a right to enter upon or use the Protected Property where no such right existed prior to the conveyance of this Easement.

6. GENERAL PROVISIONS.

6.1 Duration. This Easement shall exist in perpetuity having no fixed expiration date.

6.2 Permanent. The current Owner hereby grants the District, its successors and assigns forever, as of the Effective Date, an exclusive, perpetual easement on, over, under, through and across the Protected Property.

6.3 Assignment. This Easement may be assigned or transferred by the District only to a conservation entity defined as a qualified organization under Section 170(h) of the Internal Revenue Code and related regulations and as an authorized conservation easement holder under Minnesota law. Any future holder of this Easement shall have all of the rights conveyed to the District by this Easement.

As a condition of any assignment or transfer, the District will require any future holder of this Easement to continue to carry out the Conservation Purpose of this Easement in perpetuity.

The District will notify the Owner of any assignment within thirty (30) days after the assignment and will provide the Owner with the name and address of the new holder.

6.4 Amendment. Under appropriate circumstances, this Easement may be modified or amended. However, the District may in its sole discretion and exclusive judgment refuse to agree to any amendment or modification of this Easement, including any amendment in which the following apply:

a. The amendment is inconsistent with the Conservation Purpose of this Easement.
b. The amendment will impair or interfere with the Conservation Values of the Protected Property.
c. The amendment affects the perpetual duration of this Easement.
d. The amendment affects the validity of this Easement under Minnesota law or the status of the District under MN Stat 103D, Section170(h) of the Internal Revenue Code or successor or related law, and any combination thereof.
e. The amendment creates or results in impermissible private benefit or private inurement as prohibited by 501(c)(3) of the Internal Revenue Code.
f. Lienholders of existing liens and mortgages will not agree to subordinate their interests to the amended Easement.

Any amendment or modification must be in writing and recorded in the same manner as this Easement.

6.5 Termination. This Easement may be terminated or extinguished in whole or in part only as set out in this section.

a. Change of Circumstances. This Easement may be terminated or extinguished if circumstances arise that make continued use of the Protected Property in a manner

consistent with the Conservation Purpose of this Easement impossible or impractical. In this event, this Easement may be extinguished only through judicial proceedings.

b. Condemnation. This Easement may be terminated or extinguished pursuant to the proper exercise of the power of eminent domain.

c. Proceeds upon Termination. Following any termination or extinguishment of this Easement in whole or in part, the District shall be entitled to a portion of the proceeds from any sale, exchange or involuntary conversion of the Protected Property.

The District's share of the proceeds shall be an amount equal to the fair market value of this Easement at the time of the extinguishment but not less than an amount equal to the proportionate value that this Easement bears to the value of the Protected Property as a whole at the time of this conveyance.

The value of this Easement at the time of extinguishment or termination shall be calculated by the method required by the Internal Revenue Service for calculating an income tax deduction for a charitable donation of a conservation easement.

The District will use the resulting share of its proceeds in a manner consistent with the Conservation Purpose of this Easement.

6.6 Warranties. The current Owner represents and warrants as follows:

a. The current Owner is the sole owner of the Protected Property in fee simple and has the right and ability to convey this Easement to the District.

b. The Protected Property is free and clear of all rights, restrictions and encumbrances other than those subordinated to this Easement or otherwise specifically agreed to by the District.

c. The Protected Property is not subject to any pending claim, legal proceeding, foreclosure or other legal action affecting title to the Protected Property or the validity or enforceability of this Easement.

d. The current Owner has no actual knowledge of any use or release of hazardous waste or toxic substances on the Protected Property that is in violation of a federal, state, or local environmental law and will defend, indemnify and hold the District harmless against any claims of contamination from such substances.

6.7 Ownership Responsibilities, Costs and Liabilities. The Owner retains all responsibilities and shall bear all costs and liabilities of any kind related to the use, ownership, and maintenance of the Protected Property.

a. Taxes. The Owner shall pay all real estate taxes and assessments levied against the Protected Property, including any levied against the interest of the District created by this Easement. The District may, at its discretion, pay any outstanding taxes or assessments and shall then be entitled to immediate reimbursement from the Owner.

b. Regulatory Compliance. All activities or construction permitted by this Easement shall

be undertaken in accordance with applicable federal, state and local laws, regulations and ordinances and nothing in this Easement shall be construed to exempt the Protected Property or the Owner from otherwise applicable laws or regulations.

The Owner is solely responsible for obtaining any required governmental permits.

c. Indemnity and Immunity. The Owner shall defend, indemnify, and hold the District harmless from any and all costs or liability, including but not limited to, reasonable attorney fees and court costs, for any loss, damage, or personal injury occurring on or related to the Protected Property or the existence of this Easement, except to the extent attributable to the negligence of the District.

Any and all claims brought by Owner, its successors or assigns, shall be subject to any governmental immunity defenses of the District and the maximum liability limits provided under Minnesota Statutes Chapter 466.

d. Insurance. The Owner will name the District as an additional insured on any general liability insurance policy carried by the Owner with respect to the Protected Property.

e. Future Environmental Condition. The Owner is solely responsible for Owner's use or release on the Protected Property of any hazardous or toxic substances as defined by the Comprehensive Environmental Response, Compensation and Liability Act, the Minnesota Environmental Response and Liability Act, or other similar successor federal, state or local law or regulation regarding responsibility for environmental conditions associated with contamination. The Owner shall take all steps necessary to assure any needed containment or remediation resulting from any release of such substance.

6.8 Notice and Approval. Any notice or request for approval required by this Easement must be in writing and is subject to the following.

a. Approval Requirements. No activity requiring the prior approval of the District may proceed without the District's written approval as set out in this section. Approval of the District must be in writing to be effective. Failure of the Owner to receive approval from the District constitutes denial of the request.

b. Delivery. Any required notice or request for approval must be delivered personally or sent by first class mail or other nationally recognized delivery service to the appropriate party at the following addresses (or other address specified in writing):

To the Owner:
Ann E. Bryson
22374 670th Ave
Alden, MN 56009

To The District:
Shell Rock River Watershed District
305 South 1st Avenue
Albert Lea, MN 56007

c. Timing. Unless otherwise specified in this Easement, any required notice or request for approval must be delivered at least 30 days prior to the date proposed for initiating the activity in question.

d. Content. The notice or request for approval must include sufficient information to allow the District to make an informed decision on whether any proposed activity is consistent with the terms and Conservation Purpose of this Easement. At a minimum, this should include:

1. The location, nature, and scope of the proposed activity.
2. The proposed use, design, and location of any building, structure or improvement.
3. The plan for any needed restoration of the Protected Property following construction.
4. Any potential impact on the Conservation Values of the Protected Property.

e. Approval Decisions. The District may withhold its approval if it determines in its sole discretion that the proposal may impair or interfere with the Conservation Values of the Protected Property or is inconsistent with the terms or Conservation Purpose of this Easement or lacks sufficient information to allow the District to reach an informed decision. The District may condition its approval on the Owner's acceptance of modifications, which would, in the District's judgment, make the proposed activity consistent with the Easement or otherwise meet any concerns.

6.9 Binding Effect. This Easement creates a property right immediately vested in the District and its successors and assigns that cannot be terminated or extinguished except as set out herein.

This Easement shall run with and burden the Protected Property in perpetuity. The terms of this Easement are binding and enforceable against the current Owner of the Protected Property, all successors in title to the Protected Property and all other parties entitled to possess or use the Protected Property, including the District and its successors and assigns.

6.10 Definitions. Unless the context requires otherwise, the following terms are defined as follows:

a. "Owner" includes, jointly and severally, the current owner or owners of the Protected Property identified above and their personal representatives, heirs, successors and assigns in title to the Protected Property.

b. "District" includes the Shell Rock River Watershed District and its successors or assigns to its interest in this Easement.

c. "Easement" includes both this instrument of conveyance and the property interest conveyed from the Owner to the District.

Other terms may be defined throughout this Easement.

6.11 Termination of Rights and Obligations. A party's rights and obligations under this Easement terminate upon the transfer or termination of that party's interest in this Easement

or the Protected Property, provided, however, that any liability for acts or omissions occurring prior to the transfer or termination will survive that transfer or termination.

6.12 Recording. The District will record this Easement in a timely manner in the official records for the county in which the Protected Property is located. The District may rerecord this Easement or any other documents necessary to protect its rights under this Easement or to assure the perpetual enforceability of this Easement.

6.13 Interpretation. This Easement shall be interpreted as follows:

a. Controlling Law and Construction. This Easement shall be governed by the laws of the State of Minnesota and construed to resolve any ambiguities or questions of validity of specific provisions in favor of giving maximum effect to its Conservation Purpose, and

b. Severability. A determination that any provision or specific application of this Easement is invalid shall not affect the validity of the remaining provisions or any future application.

c. Captions. Captions have been inserted in this document solely for convenience of reference and shall have no effect upon interpretation or construction.

d. Future Economic Condition. A change in the potential economic value of any use that is prohibited by or inconsistent with this Easement, or a change in any current or future uses of neighboring properties, shall not constitute a change in conditions that makes it impossible or impractical for continued use of the Protected Property for the Conservation Purpose and shall not constitute grounds for terminating the Easement.

6.14 Additional Documents. The Owner agrees to execute or provide any additional documents reasonably needed by the District to carry out in perpetuity the provisions and the intent of this Easement, including, but not limited to any documents needed to correct any error or mutual mistake, legal description or title matter or to comply with any federal, state, or local law, rule or regulation.

6.15 Notice of Funding Restrictions. Owner agrees to allow the District to record in the office of the Freeborn County a separate Notice of Funding Restrictions as required by the funding source that the District used to fund the purchase of this Easement. Said Notice of Funding Restrictions has been made available to Owner at Owner's request.

6.16 Independent Advice of Counsel. This Easement was drafted by Peterson, Kolker, Haedt & Benda, Ltd. at the request of the District. Peterson, Kolker, Haedt & Benda is not providing legal advice to the Owner and the Owner acknowledges no legal advice has been provided to Owner by Peterson, Kolker, Haedt & Benda regarding this Easement. The Owner was further advised to seek independent legal counsel regarding this Easement. Owner has carefully read and fully understands the terms of this Easement. Owner enters into this Easement voluntarily and of Owner's own free will, after having the opportunity to consult with legal counsel to the full extent deemed necessary, and with sufficient time for consideration. Owner states that Owner's willingness to enter into this Easement was not induced by, or based upon, any representations by any individual who has not signed this Agreement.

6.17 Counterparts. This Agreement may be signed in counterparts. Each counterpart shall

constitute a duplicate original. To facilitate execution and recording, duplicate signature pages may be executed by Owner and the District with the same force and effect as if Owner and the District had signed on the same page. Thereafter, all signature pages may be combined to create an original document for recording.

6.18 Entire Agreement. This document sets forth the entire agreement of the parties with respect to this Easement and supersedes all prior discussions or understandings.

6.19 Signatures. This Easement may be completed with the signatures of the parties to this Easement executed and notarized on separate pages which when attached to this document shall constitute one complete document.

The Remainder of This Page Has Been Left Blank. Signature Pages and Exhibits Follow.

OWNER:

_____

Ann E. Bryson

STATE OF MINNESOTA

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2023 by Ann E. Bryson, single, as Owner.

_____

Notary Public

THE DISTRICT:

SHELL ROCK RIVER WATERSHED DISTRICT,
A POLITICAL SUBDIVISION UNDER
MINNESOTA LAW

Dated: _____

_____
Mick Delger
Its: Chair

Dated: _____

_____
Brad Kramer
Its: Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF FREEBORN)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by Mick Delger, Chair of Shell Rock River Watershed District, a political subdivision under Minnesota law.

_____
Signature of Person Taking Acknowledgment

STATE OF MINNESOTA)
) ss.
COUNTY OF FREEBORN)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by Brad Kramer, Secretary of Shell Rock River Watershed District, a political subdivision under Minnesota law.

_____
Signature of Person Taking Acknowledgment

THIS INSTRUMENT WAS DRAFTED BY:
PETERSON, KOLKER, HAEDT & BENDA, LTD. (AJW)
1811 BROADWAY AVENUE SE
Albert Lea, MN 56007
(507) 373-6491
FAX (507) 373-7863

EXHIBIT A

CERTIFICATE OF SURVEY

IN N1/2 SW1/4 SECTION 31-T103N-R22W
FREEBORN COUNTY, MINNESOTA

PREPARED LEGAL DESCRIPTION

All that part of the N1/2 SW1/4 Section 31-T103N-R22W, Freeborn County, Minnesota; described as follows:

Commencing at the northeast corner of the SW1/4 of said Section 31; thence South 89°44'17" West a distance of 823.93 feet on an assumed bearing on the north line of said SW1/4, to the point of beginning;

thence South 07°37'38" West a distance of 58.24 feet;

thence South 15°27'44" East a distance of 96.64 feet;

thence South 35°07'22" East a distance of 192.58 feet;

thence South 50°50'24" East a distance of 99.01 feet;

thence South 72°34'24" East a distance of 281.32 feet;

thence South 87°37'25" East a distance of 353.31 feet, to the east line of said SW1/4;

thence South 00°22'24" East a distance of 843.78 feet on said east line, to the southeast corner of said N1/2 SW1/4;

thence South 89°40'14" West a distance of 1320.64 feet on the south line of said N1/2 SW1/4;

thence North 00°33'05" West a distance of 377.11 feet, to the south line of the north 941.80 feet of said SW1/4;

thence South 89°44'17" West a distance of 548.91 feet on said south line, to the east line of the west 738.62 feet of said SW1/4;

thence North 00°38'18" West a distance of 652.28 feet on said east line, to the south line of the north 289.53 feet of said SW1/4;

thence North 89°44'17" East a distance of 496.71 feet on said south line, to the east line of the west 1235.31 feet of said SW1/4;

thence North 00°38'18" West a distance of 289.54 feet on said east line, to said north line;

thence North 89°44'17" East a distance of 554.45 feet on said north line, to the point of beginning;

together with a 33.00-foot-wide ingress and egress easement over, under and across all that part of the SW1/4 Section 31-T103N-R22W, Freeborn County, Minnesota; said easement being 16.50 feet on each side of the following described centerline:

Commencing at the northwest corner of said SW1/4; thence South 00°38'18" East a distance of 445.24 feet on an assumed bearing on the west line of said SW1/4, to the point of beginning

thence North 72°43'23" East a distance of 61.94 feet;

thence East a distance of 91.91 feet on a tangential curve concave to the south, having a radius of 289.19 feet and a central angle of 18°12'34";

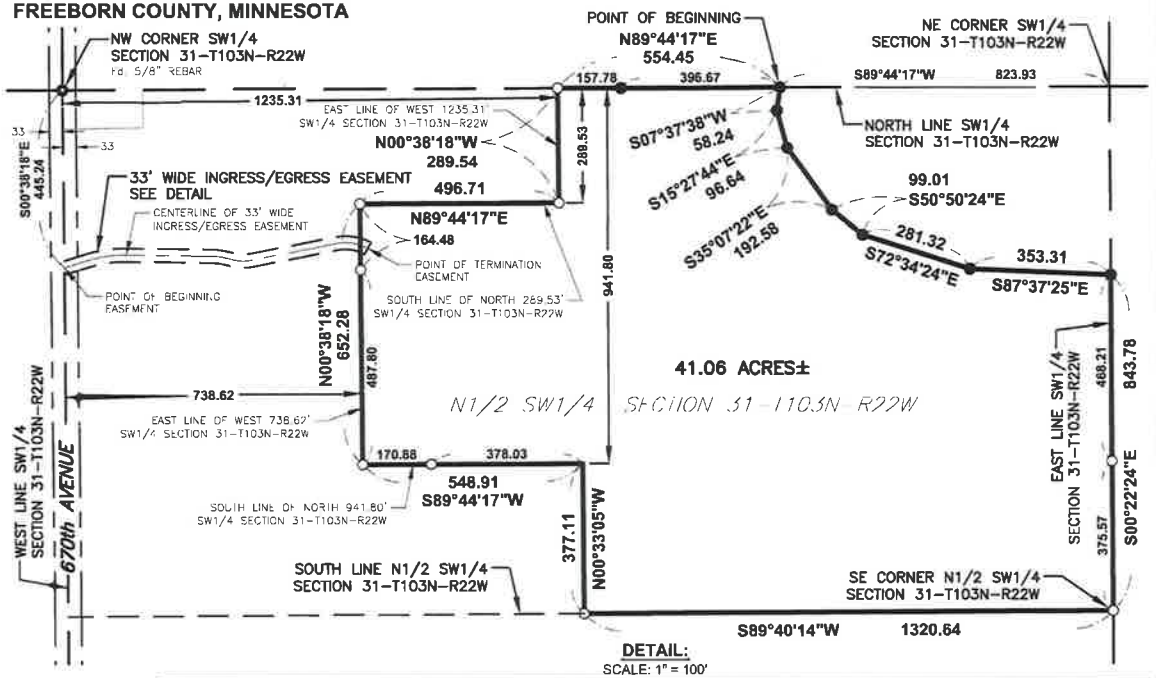
thence South 89°04'03" East a distance of 217.92 feet on a tangential line;

thence East a distance of 45.83 feet on a tangential curve concave to the south, having a radius of 171.02 feet and a central angle of 15°21'15";

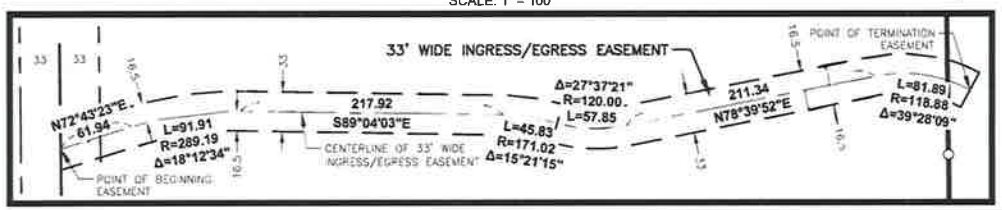
thence East a distance of 57.85 feet on a tangential curve concave to the north, having a radius of 120.00 feet and a central angle of 27°37'21";

thence North 78°39'52" East a distance of 211.34 feet on a tangential line;

thence East a distance of 81.89 feet on a tangential curve concave to the south, having a radius of 118.88 feet and a central angle of 39°28'09", to the point of termination.



DETAIL:
SCALE: 1" = 100'



SCALE: 1" = 300'

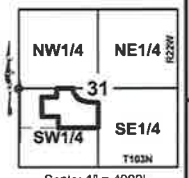
0' 300' 150' 600'
SCALE IN FEET

LEGEND:

- ○ = 5/8 Inch x 16 Inch iron stake monument (Capped SJT 22705)-Placed
- ● = 22075-Found
- ◉ = 5/8" Rebar-Found

FOR: SHELL ROCK RIVER WATERSHED DISTRICT

LOCATION MAP



Scale: 1" = 4000'

Date: 6/20/2023
Revised date: -
Drawn by: ADM
Survey: SJT
Coord-System: MNDOT CO. NAD83 1996
Page 1 of 1
Job No: 23-179CERT.DWG

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

August 1, 2023
Steven J. Thompson, L.S. No. 22705 — Date

JONES HAUGH SMITH
Engineers + Surveyors
515 South Washington Ave.
Albert Lea, MN 56007
507-373-4876
415 West North Street
Owatonna, MN 55060
507-451-4598

Resolution 2023-07
Establish Project 2023-01
Bryson Restoration Project

WHEREAS, The Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the "District") is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the "Plan");

WHEREAS, the Bryson Restoration, project 2023-01, was initiated on September 5, 2023 by Resolution 2023-05;

WHEREAS, the Board of Managers having reviewed the Project Plan, and has determined that approval of the Project Plan will further the objectives of the plan;

WHEREAS, The Project Plan was forwarded to the Board of Water and Soil Resources and Department of Natural Resources for their review and comment BWSR comments were received by letter dated August 15, 2023;

WHEREAS, On September 5, 2023, by Resolution 2023-06, the Board of Managers approved the specifications for the Project (the "Final Project Plan");

WHEREAS, a public hearing was held on September 5, 2023 to review the project plan;

THEREFORE, the Board of Managers hereby finds that the proposed Bryson Restoration Project has the ability to promote the public interest and welfare in conformity with the watershed management plan as set forth above.

NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District hereby:

Sec. 1: Establishes Project No.2023-01 Bryson Restoration Project;

Sec. 2: Authorizes District Staff to complete the Project as set forth in the Final Project Plan; and

Sec. 3: Authorizes the District Staff to obtain quotes; request for approvals and enter into any other agreements or contracts necessary to complete the project.

Date September 5, 2023

Mitchell Delger
SRRWD Board Chairman

Brad Kramer
SRRWD Board Vice Chairman

GALE-TEC ENGINEERING, INC.

801 TWELVE OAKS CENTER DRIVE, SUITE 832
WAYZATA, MN 55391
TELEPHONE (952) 473-7193 FAX (952) 473-1492
www.gale-tec.com

October 2, 2023
Revised October 3, 2023

Ms. Courtney Phillips, P.E.
Shell Rock River Watershed District
Via email: Courtney.phillips@co.freeborn.mn.us

Re: Subsurface Exploration and Geotechnical Engineering Evaluation/ Recommendations for Levee System Construction for Panicum Prairie Wetland Development Project in Freeman Township near Albert Lea, MN

Dear Ms. Phillips:

In accordance with our recent discussion with you and with Mr. Origer - ISG, we are pleased to provide you with this revised proposal for services on the above referenced project. You and ISG agreed to reduce the number of soil borings, reduce the amount of soil laboratory testing and reduce a portion of the geotechnical engineering to reduce the overall cost. Enclosed please find a revised scope of work for Gale-Tec Engineering, Inc. (GTE) and a fee estimate for providing these services. We look forward to the opportunity to assist ISG and the Watershed District on this project.

Respectfully,

GALE-TEC ENGINEERING, INC.

Nathan M. Lichty, P.E.
Sr. Project Engineer

Stephan M. Gale, P.E.
Principal Engineer

Enclosures: Terms for Engineering Services
Fee Estimate Spreadsheet

Cc: Mr. Mark Origer, P.E.
ISG, Inc.
via email: mark.origer@ISGInc.com

SMG/NML/pjk

SUBSURFACE EXPLORATION AND GEOTECHNICAL ENGINEERING FOR PANICUM PRAIRIE WETLAND LEVEE EVALUATION AND DESIGN IN FREEMAN TOWNSHIP NEAR ALBERT LEA, MN

INTRODUCTION

We understand that the Shell Rock River Watershed District has obtained a grant to develop a wetland area with standing water along an approximately ½ mile by ½ mile area currently owned by the MnDNR. The area, referred to as Panicum Prairie, is located within Freeman Township, south east of Albert Lea, MN, and approximately 1 mile north of the Iowa Border. Panicum Prairie is bound to the north and west by an existing judicial drainage ditch, that is reported to be 6-8ft in depth. We understand that the cut soils from drainage ditch construction currently form a berm on the north and west sides of the proposed wetland area adjacent to the drainage ditch. We understand that a public access road is located on the east of the site.

The project civil engineer, ISG, Inc. has indicated that the Panicum Prairie area would a require an engineered levee system constructed around its perimeter to facilitate 2-3ft of standing water. This would require a levee height of approximately 3-4ft to facilitate freeboard. ISG suspects that peat deposits are located within Panicum Prairie. The levee system would need to be designed to reduce under-seepage and remain stable if constructed over the soft peat deposit. The drainage ditch channel sideslope stability will also need to be evaluated, as the proposed levee will be constructed near the top of the ditch.

We understand that ISG is planning to conduct a LiDAR survey of Panicum Prairie in the Fall of 2023. We also understand that the Watershed District has a stockpile of clay fill that could be used for levee construction.

ISG and the Watershed District report that the soft and/or peat soils will make drill rig access difficult, even with an all-terrain drill rig. We agreed with ISG to a revised scope of work which includes drilling three (3) soil borings to 25ft on the existing access road with a truck rig – if it can access the site and extend up to six (6) hand augers and push probes along the northern, western and southern wetland perimeter where the new levee is proposed.

ISG and GTE have agreed on the following scope: 1) perform a subsurface exploration at multiple locations along the perimeter of the Panicum Prairie area, 2) perform limited soil laboratory index testing on recovered split spoon and hand auger soil samples, 3) perform stability analysis considering various methods for levee construction over soft ground 4) perform seepage analysis and consider multiple seepage cut-off methods and 5) prepare a Geotechnical Engineering Report that includes the results of the subsurface exploration/soil laboratory testing, stability and seepage assessment and provide recommendations for levee construction over soft ground.

SCOPE OF WORK

We propose the following scope of work:

- Initial Site Visit – Perform an initial site visit with the Watershed District/ISG to observe site conditions and determine final boring locations
- Drilling - Contact Gopher State One-Call to mark public utilities, and mobilize a truck mounted drill rig to perform soil borings through the crest of the existing access road embankment with hand augers extended where soft wetland soils exist.
- Drilling– Complete up to three (3) soil borings with split spoon samples collected at regular intervals along the existing access road to a depth of 25ft with the truck drill rig. We have included a contingency if the 25 ft. deep borings need to be extended deeper. We have also included up to six (6) Hand Augers to a depth of 2-5ft along the northern, western and southern perimeter of the site where access by a drill rig may not be possible. We estimate up to two (2) soil samples will be collected from each hand auger boring location. A push probe will also be attempted at each hand auger location. The push probe will be used to estimate the depth of the peat/ soft soils at the boring locations.
- Drilling – Boreholes drilled to a depth of 15 ft. or more shall be backfilled with grout as required by Minnesota Department of Health. We have also included the preparation of the MDH permit that will need to be submitted to the Agency.
- Soil Laboratory Testing - Laboratory work shall include classification of all samples and soil index and strength testing. Index testing shall include up to 10 moisture content tests, up to two (2) in-situ density, up to three (3) organic content tests, and up to ten (10) penetrometer strength (Q_p) tests.
- Geotechnical Stability, Seepage and Settlement Evaluation - We will perform a Slope Stability, Seepage and Settlement Analysis at up to three (3) cross sections along the proposed levee alignment. We will use the LiDAR survey data planned to be collected by ISG and work with ISG to determine proposed levee and site geometry.

  The stability analysis for the proposed work will consider techniques for levee construction over soft soils, as well as drainage ditch channel sideslope stability considering levee construction at the top of the ditch channel. Slope stability analysis will be performed using the computer program SlopeW by GeoStudios, Inc. – a program used regularly for FHWA and MnDOT studies to assess embankment stabilization over soft soil.

  The seepage analysis will be performed using the computer program SeepW by Geostudios, Inc. The results of the analysis will be used to assess potential seepage cut-off methods and estimate the volume of water loss through the proposed perimeter levee system.

  A settlement analysis will be performed considering estimated levee geometry and estimated soft soil settlement parameters. The analysis will be performed considering a Bousinesq stress increase distribution on the underlying soils due to levee construction. The results of the analysis will be used to provide construction recommendations.

- Geotechnical Engineering Report – A geotechnical engineering report will be prepared that includes the results of the subsurface exploration/soil laboratory testing as well as the Geotechnical stability, seepage and settlement analyses. Recommendations for levee construction over soft ground will be provided as well as seepage cut-off and volume recommendations.

  Potential levee construction techniques over soft ground could include:
  1) Levee construction using a geosynthetic basal reinforcement and staged construction,
  2) Surcharging
  3) Levee Construction using Lightweight Fill,
  4) Installation of a Shear/Seepage cutoff trench

- Conference Calls - We will have conference calls and/or meetings with ISG/Watershed District up to three (3) times during the evaluation.
-

PROPOSED FEE

We propose a fee of $38,501 to complete this work. This fee includes a $1,500 contingency to potentially cover the cost of additional drilling deeper than the 25ft. included in our estimate.

See attached spread sheet for the cost estimate.

SUMMARY

We look forward to assisting Shell Rock River Watershed District and ISG on this project

TERMS FOR ENGINEERING SERVICES

THE AGREEMENT

This AGREEMENT is made by and between: Gale-Tec Engineering, Inc., hereinafter referred to as ENGINEER, and Shell Rock River Watershed District hereinafter referred to as CLIENT.

The AGREEMENT between the parties consists of these TERMS, the attached PROPOSAL dated October 3, 2023, and any exhibits or attachments noted in the PROPOSAL. Together, these elements will constitute the entire AGREEMENT superseding any and all prior negotiations, correspondence, or agreements either written or oral. Any changes to this AGREEMENT must be mutually agreed to in writing.

STANDARD OF CARE

CLIENT recognizes that subsurface conditions may vary from those observed at locations where borings, surveys, or explorations are made, and that site conditions may change with time. Data, interpretations, and recommendations by ENGINEER will be based solely on information available to ENGINEER. ENGINEER is responsible for those data, interpretations, and recommendations, but will not be responsible for other parties' interpretations or use of the information developed.

Services performed by ENGINEER under this AGREEMENT are expected by CLIENT to be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of the geotechnical engineering profession and practicing contemporaneously under similar conditions in the locality of the project. Under no circumstance is any warranty, expressed or implied, made in connection with the providing of geotechnical engineering services.

SITE ACCESS AND SITE CONDITIONS

CLIENT will grant or obtain free access to the site for all equipment and personnel necessary for ENGINEER to perform the work set forth in this AGREEMENT. CLIENT will notify any and all possessors of the project site that CLIENT has granted ENGINEER free access to the site. ENGINEER will take reasonable precautions to minimize damage to the site, but it is understood by CLIENT that, in the normal course of work, some damage may occur and the correction of such damage is not part of this AGREEMENT unless so specified in the PROPOSAL.

CLIENT is responsible for accurately delineating the locations of all subterranean structures. ENGINEER will take reasonable precautions to avoid known subterranean structures, and CLIENT waives any claim against ENGINEER arising from damage done to subterranean structures not identified or accurately located.

SAMPLE DISPOSAL

GEOTECHNICAL ENGINEER will dispose of all remaining soil and rock samples thirty (30) days after submission of the report covering those samples. Further storage or transfer of samples can be made at CLIENT's expense upon CLIENT's prior written request.

MONITORING

If ENGINEER is retained by CLIENT to provide a site representative for the purpose of monitoring specific portions of construction work or other field activities as set forth in the PROPOSAL, then this section applies. For the specified assignment, ENGINEER will report observations and professional opinions to CLIENT. No action of ENGINEER or ENGINEER's site representative can be construed as altering any AGREEMENT between CLIENT and others. ENGINEER will report to CLIENT any observed geotechnically related work which, in ENGINEER's professional opinion, does not conform with plans and specifications. The ENGINEER has no right to reject or stop work of any agent of the CLIENT. Such rights are reserved solely for CLIENT. Furthermore, ENGINEER's presence on site does not in any way guarantee the completion or quality of the performance of the work of any party retained by CLIENT to provide field or construction related services.

ENGINEER will not be responsible for and will not have control or charge of specific means, methods, techniques, sequences or procedures of construction or other field activities selected by any agent or agreement of CLIENT, or safety precautions and programs incident thereto.

BILLING AND PAYMENT

CLIENT will pay ENGINEER in accordance with the procedures indicated in the PROPOSAL and its attachments. Invoices will be submitted to CLIENT by ENGINEER, and will be due and payable net 30 days. If CLIENT objects to all or any portion of any invoice, CLIENT will so notify ENGINEER in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid.

In the event CLIENT fails to pay ENGINEER within sixty (60) days after invoices are rendered, CLIENT agrees that ENGINEER will have the right to consider the failure to pay the ENGINEER's invoice as a breach of this AGREEMENT.

TERMINATION

This AGREEMENT may be terminated by either party seven (7) days after written notice in the event of any breach of any provision of this AGREEMENT or in the event of substantial failure of performance by the other party, or if CLIENT suspends the work for more than three (3) months. In the event of termination, ENGINEER will be paid for services performed prior to the date of termination plus reasonable termination expenses, including, but not limited to the cost of completing analyses, records, and reports necessary to document job status at the time of termination.

RISK ALLOCATION

Many risks potentially affect ENGINEER by virtue of entering into this AGREEMENT to perform professional engineering services on behalf of CLIENT. The principal risk is the potential for human error by ENGINEER. For CLIENT to obtain the benefit of a fee which includes a nominal allowance for dealing with ENGINEER's liability, CLIENT agrees to limit ENGINEER's professional liability to CLIENT for claims arising out of ENGINEER's performance of the services described in this AGREEMENT. The aggregate professional liability of ENGINEER will not exceed $25,000 for negligent professional acts, errors, or omissions.

Limitations on liability in this AGREEMENT are business understandings between the parties voluntarily and knowingly entered into, and shall apply to all theories of recovery including, but not limited to, breach of contract, warranty, tort (including negligence), strict or statutory liability, or any other cause of action, except for willful misconduct or gross negligence. The parties also agree that CLIENT will not seek damages in excess of the limitations indirectly through suits with other parties who may join ENGINEER as a third-party defendant. Parties mean CLIENT and ENGINEER and their officers, employees, agents, affiliates, and subcontractors.

Both CLIENT and ENGINEER agree that they will not be liable to each other, under any circumstances, for special, indirect, consequential, or punitive damages arising out of or related to this AGREEMENT.

DISCOVERY OR UNANTICIPATED HAZARDOUS MATERIALS

CLIENT represents that CLIENT has made a reasonable effort to evaluate if hazardous materials are on or near the project site, and that CLIENT has informed ENGINEER of CLIENT's findings relative to the possible presence of such materials.

Hazardous materials may exist at a site where there is no reason to believe they could or should be present. ENGINEER and CLIENT agree that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. ENGINEER and CLIENT also agree that the discovery of unanticipated hazardous materials may make it necessary for ENGINEER to take immediate measures to protect health and safety. CLIENT agrees to compensate ENGINEER for any equipment decontamination or other costs incident to the discovery of unanticipated hazardous materials.

ENGINEER agrees to notify CLIENT when unanticipated hazardous materials or suspected hazardous materials are encountered. CLIENT agrees to make any disclosures required by law to the appropriate governing agencies. CLIENT also agrees to hold ENGINEER harmless for any and all consequences of disclosures made by ENGINEER which are required by governing law. In the event the project site is not owned by CLIENT, CLIENT recognizes that it is CLIENT's responsibility to inform the property owner of the discovery of unanticipated hazardous materials or suspected hazardous materials.

Notwithstanding any other provision of the AGREEMENT, CLIENT waives any claim against ENGINEER for injury or loss arising from ENGINEER's discovery of unanticipated hazardous materials or suspected hazardous materials, including, but not limited to, any costs created by delay of the project and any cost associated with possible reduction of the property's value. CLIENT will be responsible for the ultimate disposal of any samples secured by ENGINEER which are found to be contaminated.

DISPUTES RESOLUTION

All claims, disputes, and other matters in controversy between ENGINEER and CLIENT arising out of or in any way related to this AGREEMENT will be submitted to "alternative dispute resolution" (ADR) before and as a condition precedent to other remedies provided by law. If and to the extent CLIENT and ENGINEER have agreed on methods for resolving such disputes, then such methods will be set forth in the "Alternative Dispute Agreement" which, if attached, is incorporated into and made a part of this AGREEMENT. If no specific ADR procedures are set forth in this AGREEMENT, then it shall be understood that the parties shall submit disputes to mediation as a condition precedent to litigation.

If a dispute at law arises from matters related to the services provided under this AGREEMENT and that dispute requires litigation instead of ADR as provided above, then:

1. the claim will be brought and tried in judicial jurisdiction of the court of the county where ENGINEER's principal place of business is located and CLIENT waives the right to remove the action to any other county or judicial jurisdiction, and

2. the prevailing party will be entitled to recovery of all reasonable costs incurred, including staff time, court costs, attorney's fees, and other claim related expenses.

GOVERNING LAW AND SURVIVAL

The law of the State of Minnesota will govern the validity of these TERMS, their interpretation and performance.

If any of the provisions contained in this AGREEMENT are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired. Limitations of liability will survive termination of this AGREEMENT for any cause.

The parties have read the foregoing, understand completely the terms, and willingly enter into this AGREEMENT which will become effective on the date signed below by CLIENT.

_____	Gale-Tec Engineering, Inc.
CLIENT	GEOTECHNICAL ENGINEER
_____	Stephan M. Gale
By	By
_____	President
Position	Position
_____	October 3, 2023
Date	Date

FEE SCHEDULE

The rates presented are portal to portal, with vehicle mileage, expenses and equipment rentals additional.

Overtime for personnel charged at cost plus 25% for over 8 hours per day or Saturday; and at cost plus 50% for Sundays or holidays.

Engineering Services

Engineering/Technical Personnel Rates

Engineering Technician II	Per Hour	$	70.00
Engineer I, Geologist, Scientist I	Per Hour	$	90.00
Project Engineer	Per Hour	$	175.00
Principal Engineer	Per Hour	$	195.00
Word Processing Specialist	Per Hour	$	64.00
CADD Specialist	Per Hour	$	82.00
CADD Equipment	Per Hour	$	18.00

Site Exploration Equipment Rental Services

Drilling Services (Includes CME-75 truck mounted drill rig and 2-person crew)				Included
Mobilization, Gopher State Locate			$	Quoted
Hollow Stem Auger and Split Spoon Sampling	0 to 40 ft.	Per Foot	$	25.00
Hollow Stem Auger and Split Spoon Sampling	40 to 60 ft.	Per Foot	$	30.00
Shelby Tube Sampling and Laboratory Extraction	0 to 50 ft.	Per Tube	$	190.00
Borehole Grouting		Per Foot	$	9.00
Boring Clean Up/Cold Patch		Per Foot	$	5.00
MDH Permit		Each	$	150.00

Laboratory Testing of Soil

Moisture Content	Per Test	$	22.00
Dry Density (includes Moisture Content)	Per Test	$	75.00
Atterberg Limits (LL and PI)	Per Test	$	120.00
P200	Per Test	$	110.00
Sieve Analysis (includes #200 determination)	Per Test	$	140.00
CU Triaxial Testing, up to Three (3) Samples	Per Test	$	1,600.00
Hand Penetrometer	Per Test	$	12.00
Organic Content of Soil	Per Test	$	75.00
Soil Laboratory Consolidation Test	Per Test	$	600.00
Soil Classification	Per Sample	$	15.00

Expenses

Mileage – Personal Vehicle	Per Mile	$	0.655
Direct Project Expenses: Includes travel expenses including car and hotel, special equipment, materials and supplies: transportation and freight; and reproduction services	Cost X 1.0		

Shell Rock Watershed District, Panicum Prairie Wetland Development, Freeman Township, MN

Geotechnical Engineering

	Sr. Project Engineer - Nate Lichty, P.E.	Principal Engineer - Steve Gale, P.E.	Word Processing Specialist - Paula Kelly	Total	Task Subtotal
Task 1 - Project Administration/Meetings				0	$ -
Task 2 - Subsurface Exploration					
Task 2a - Site Visit and Soil Boring Layout	6	0	0	6	$ 1,050.00
Task 3 - Soil Classification/Soil Laboraotry Testing					
Task 3a - Classification of Recovered Soil Samples	3	1	0	4	$ 720.00
Task 3b - Develop Soil Boring Logs	2	1	1	4	$ 609.00
Task 4 - Geotechnical Engineering Analysis					
Task 4a - Perform Slope Stability Analysis for Levee Construction over Soft Ground, up to four (4) Cross Sections	14	4	0	18	$ 3,230.00
Task 4b - Perform Slope Stability Analysis for Levee Construction adjacent to Existing Drainage Ditch	10	3	0	13	$ 2,335.00
Task 4c - Perform Seepage Analysis on Proposed Levee Construction, up to four (4) Cross Sections	10	3	0	13	$ 2,335.00
Task 4d - Perform Settlement Analysis on Proposed Levee Construction, up to four (4) Cross Sections	10	3	0	13	$ 2,335.00
Task 5 - Develop Geotechnical Engineering Recommendations					
Task 4a -Develop Recommendations for Levee Construction over Soft Ground	8	3	0	11	$ 1,985.00
Task 4b -Develop Recommendations for Levee Construction Adjacent to Existing Drainage Ditch	8	4	0	12	$ 2,160.00
Task 4c - Develop Recommendations for Seepage Cut-Off and Seepage Volume	6	2	0	8	$ 1,440.00
Task 4d - Develop Recommendations for Levee Long Term Settlement Mitigation	6	2	0	8	$ 1,440.00
Task 6 - Develop Geotechnical Engineering Report	30	15	10	55	$ 8,815.00
Total Hours	113	41	11	165	
Hourly Rate*	$ 175.00	$ 195.00	$ 64.00		
Subtotal	**$ 19,775.00**	**$ 7,995.00**	**$ 704.00**	**$ 28,474.00**	**$ 28,474.00**

Subsurface Exploration - Drilling - 3 Soil Borings with Truck Mounted Drill Rig and 6 Hand Augers	Quantity	Unit Rate		Total
Gopher State One Call/Coordination				
Mobilization- Truck Mounted Drill Rig	1	$3,200.00	LS	$ 3,200.00
3 SPT Soil Borings HSA w/ SS Sampling to 25ft , 0-25ft	75	$25.00	per foot	$ 1,875.00
Grouting Boreholes Upon Completion	75	$8.00	per foot	$ 600.00
Hand Augers	6	$300.00	per foot	$ 1,800.00
MDH Permit	1	$75.00	LS	$ 75.00
		Subtotal		$ 7,550.00
		Contigency - Drilling		$ 1,500.00
		Drilling Subtotal-Option 1		$ 9,050.00

Soil Laboratory Testing	Quantity	Unit Rate		Total
Hand Penetrometer	10	$12.00	each	$ 120.00
Moisture Content (ASTM D 2216)	10	$22.00	each	$ 220.00
Density (ASTM D7263)	2	$75.00	each	$ 150.00
Organic Content (ASTM D2974)	3	$75.00	each	$ 225.00
			Subtotal Laboratory Testing	$ 715.00

Expenses

Task	Total
1. Mileage - Site Visits and Meetings (400 miles @ $0.655/mile)	$ 262.00
Subtotal Expenses	$ 262.00

TOTAL FEE & EXPENSES -GEOTECHNICAL	
ENGINEERING EXPENSES -GTE	$ 28,474.00
SUBSURFACE EXPLORATION -Three (3) Soil Borings with Hand Augers/Push Probes	$ 9,050.00
LABORATORY TESTING	$ 715.00
EXPENSES	$ 262.00
CONTRACT TOTAL	$ 38,501.00