

**CONTRACT BETWEEN WASHINGTON CONSERVATION DISTRICT AND CITY OF  
SCANDIA FOR TECHNICAL ASSISTANCE**

**2014 General Technical Services Program**

**A. PARTIES**

This Agreement is made and entered into by Washington Conservation District, (WCD), and City of Scandia (City).

**B. PURPOSE**

WHEREAS, the City has requested assistance from the WCD to implement the policies specified in MINN. STAT. § 103A.206; and

WHEREAS, the WCD is authorized to enter agreements to provide such assistance pursuant to MINN. STAT. § 103C.331, SUBD. 3 and 7.

NOW, THEREFORE, the parties agree as follows:

**C. TERM OF CONTRACT**

The term of this agreement shall be from **January 1, 2014 to December 31, 2014** unless terminated earlier as provided herein.

**D. SCOPE OF SERVICES**

The WCD will perform all services and furnish and deliver work products generally described in Exhibits A and B, attached and made part of this agreement, when directed by a City representative.

**E. COST**

In full consideration for services under this agreement, the WCD shall charge the City a fee for its staff services and actual costs for project expenses in accordance with Exhibit A and Exhibit B.

Costs for services for activities detailed in the attached Exhibits include:

Exhibit A: WCA LGU Support - \$2,205

Exhibit B: Zavoral Mine Monitoring, Inspection, and Review Services - \$27,534

**Total Agreement: \$29,739**

Any additional costs for special studies or capital projects must be set forth in a written amendment to this Agreement.

**F. BILLING PAYMENTS**

WCD will bill the City for staff services and actual direct project expenses. For calendar **year 2014**, the services provided by the WCD hereunder shall be billed at a maximum rate of \$74 per hour. Invoices will be sent monthly and are payable by the City net 60 days.

**G. EQUAL EMPLOYMENT OPPORTUNITY- CIVIL RIGHTS**

During the performance of this Agreement, the WCD agrees to the following:

No person shall, on the grounds of race, color, religion, age, sex, disability, marital status, public assistance, criminal record, creed or national origin, be excluded from full employment rights in, be denied the benefits of, or be otherwise subjected to discrimination under any program, service, or activity under the provisions of all applicable federal and state laws against discrimination including the Civil Rights Act of 1964.

If during the term of this Agreement, it is discovered the WCD is not in compliance with the applicable regulations as aforesaid, or if the WCD engages in any discriminatory practices, then the City through the office, may cancel said Agreement as provided by the cancellation clause of this Agreement.

**H. STANDARDS**

The WCD shall comply with all applicable Federal and State statutes and regulations as well as local ordinances now in effect or hereafter adopted.

Failure to meet the requirements of the above may be cause for cancellation of this contract effective the date of receipt of the Notice of Cancellation.

**I. DATA PRIVACY**

All data collected, created, received, maintained, or disseminated, or used for any purpose in the course of the WCD's performance of the Agreement is governed by the Minnesota Government Data Practices Act, Minnesota 1984, Section 13.01, et seq., or any other applicable state statutes and state rules adopted to implement the Act, as well as state statutes and federal regulations on data privacy. The WCD agrees to abide by these statutes, rules and regulations and as they may be amended.

**J. AUDITS, REPORTS, AND MONITORING PROCEDURES**

The WCD will:

1. Maintain records that reflect all revenues, cost incurred and services provided in the performance of the Agreement.
2. Agree that the City, County, the State Auditor, or legislative authority, or any of their duly authorized representatives at any time during normal business hours, and as often as they may deem reasonably necessary, shall have access to the rights to examine audit, excerpt, and transcribe any books, documents, papers, records, etc., and accounting procedures and practices of the WCD which are relevant to the contract.

**K. INDEMNITY**

The WCD and the City mutually agree, to the fullest extent permitted by law, to indemnify and hold each other harmless for any and all damages, liability or cost (including reasonable attorneys' fees and costs of defense) arising from their own negligent acts, errors or omissions in the performance of their services under this agreement, to the extent each party is responsible for such damages and losses on a comparative basis of fault. Parties agree to provide proof of contractual liability insurance upon request.

**L. INDEPENDENT CONTRACTOR**

It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the WCD as the agent, representative, or employee of the City for any purpose or in

any manner whatsoever. The WCD is to be and shall remain an independent contractor with respect to all services performed under this Agreement.

The WCD represents that it has, or will secure at its own expense, all personnel required in performing services under this Agreement. Any and all personnel of the WCD or other person, while engaged in the performance of any work or services required by the WCD under this Agreement, shall have no contractual relationship with the City and shall not be considered employees of the City.

**M. MODIFICATIONS**

Any material alteration or variation shall be reduced to writing as an amendment and signed by the parties. Any alterations, modification, or variations deemed not to be material by agreement of the WCD and the City shall not require written approval.

**N. MERGER**

It is understood and agreed that the entire agreement of the parties is contained here and that this contract supersedes oral agreements and negotiations between the parties relating to this subject matter. All items referred to in this contract are incorporated or attached and deemed to be part of the contract.

**O. TERMINATION**

Either the WCD or the City may terminate this Agreement with or without cause by giving the other party thirty (30) days written notice prior to the effective date of such termination. If the City terminates this Agreement without cause, it shall pay to the WCD for services performed up to the date of termination.

IN TESTIMONY WHEREOF the parties have duly executed this agreement by their duly authorized officers.

**APPROVED:**

**CITY**

**WCD**

BY: \_\_\_\_\_  
Mayor Date

BY: \_\_\_\_\_  
Board Chair Date

BY: \_\_\_\_\_  
Clerk Date

BY: \_\_\_\_\_  
WCD Manager Date

**EXHIBIT A**  
**2014 SCOPE OF SERVICES FOR THE CITY OF SCANDIA**  
**TECHNICAL SERVICES AGREEMENT**  
**BETWEEN THE WASHINGTON CONSERVATION DISTRICT (WCD) AND**  
**CITY OF SCANDIA (City)**

At the request of the City the WCD shall furnish the following services under the terms of the AGREEMENT.

**Local Government Unit (LGU) administration of Wetland Conservation Act (WCA)**

**TASK 1. Technical assistance**

The WCD will review wetland related applications as per Mn Rule 8420 (e.g. no loss, exemption, boundary/type, replacement plan, sequencing, banking) and review monitoring reports for authorized wetland impacts and mitigation areas.

- Estimate: 6 hrs/application x 2 applications = 12 hours

**TASK 2. Administrative assistance**

The WCD will process wetland related applications, following the LGU procedures described in the WCA. This includes mailing of application notices, consolidation of public comments, preparation of TEP reports, preparation of Findings of Facts, and mailing of decision notices. The WCD will make the decision on applications on behalf of the City, consult the City, or defer the final decision to the City Council, as per City of Scandia Resolution No. 04-20-10-05. Appeal of decisions made by the WCD on the City's behalf will be directed to the City Council.

- Estimate: 10 hrs/application x 2 applications = 20 hours

**TASK 3. Miscellaneous Services**

The WCD will provide other services, related to wetland permitting or monitoring, at the request of the City. Examples include supplemental construction monitoring, education programs, or pre-application review of City-sponsored projects.

- Estimate: 3 hrs/year

**LGU – WCA administration Summary**

**Estimated 2014 Total: 35 hours @ \$63/hour = \$2,205**

This estimate is based on reviewing two wetland applications in 2013. The costs associated with the review of additional applications are not included in this scope and would be billed on an hourly basis at the rate provided above.

**EXHIBIT B**  
**2014 SCOPE OF SERVICES FOR THE CITY OF SCANDIA**  
**TECHNICAL SERVICES AGREEMENT**  
**BETWEEN THE WASHINGTON CONSERVATION DISTRICT (WCD) AND**  
**CITY OF SCANDIA (City)**

At the request of the City the WCD shall furnish the following services under the terms of the AGREEMENT. All tasks related to the proposed Zavoral Mine Conditional Use Permit (CUP). Any significant deviation from the proposed project schedules or work plans may require modifications to this Scope of Services and an amended written agreement between the City of Scandia and the WCD. Additional meetings or tasks that are not specifically included in the tasks below requested by the City, including agents acting on behalf of the City (e.g. engineer or planning consultant), will be billed on an hourly basis at the billing rates per the attached rate table.

Site visits for performing monitoring/data collection tasks have been combined, when feasible, for Technical Services 1-4 to provide a cost savings to the City. A cost for each performing each service independently can be provided in the event that not all services are selected under contract.

**Technical Service 1: Surface Water Monitoring**

**TASK 1. Stream Monitoring Equipment Installation and Data Collection**

The WCD will install stream monitoring equipment at two locations on Zavoral’s Creek: one near the mouth and one upstream of Crystal Springs. The station near the mouth will track continuous 15-minute stage, discharge, velocity, turbidity, dissolved oxygen (DO), temperature, and conductivity data. An automated sampler will be used to collect stormwater composite samples and grab samples will be collected during baseflow conditions, with a goal of collecting 15 total samples. Samples will be analyzed for total and volatile suspended solids in order to form a correlation between turbidity and suspended solids, so suspended solids results from previous years can be compared to 2014 data. In-stream discharge measurements will be taken at this station to develop a stage-discharge rating curve, and field measurements of transparency and pH will be collected with the grab samples. A macroinvertebrate sample will be collected once in the spring/early summer and once in late summer/fall. The samples will be shipped to a lab for identification. The Crystal Springs monitoring station will record continuous 15-minute stage, discharge, velocity, turbidity, DO, temperature, and conductivity data. Both locations will be monitored during all months when the mine is in operation, weather and safety of WCD personnel permitting. Due to winter weather conditions and the related limits of monitoring equipment in freezing temperatures, winter protocols (approximately Nov. – March) will include recording continuous 15-minute turbidity, dissolved oxygen, temperature, and conductivity only at the mouth location, and the automated sampler will be removed. The ability to monitor the creek depends on the creek having flowing water. The absence of flowing water, shallow water within the creek that would expose the equipment to the air, or the presence of thick ice (that would have to be broken to reach the equipment) will prohibit the monitoring efforts. Winter monitoring at the location upstream of Crystal Springs is not feasible due to the likelihood that the creek channel would be dry thus exposing the equipment to winter conditions resulting in damage.

- Estimate: Data collection & set up: 225 hrs @ 63/hr = \$14,175
  - Estimate: Water quality sample analysis = \$700
  - Estimate: Macroinvertebrate identification = \$500
- Total \$15,375**

**TASK 2. Water Quality/Quantity Data Analysis & Management**

The WCD will perform any necessary procedures to ensure proper data management, including data editing, quality control, storage, and backup. Data will be analyzed and compared to activities within the proposed Zavoral Mine to document any adverse hydrologic effects to the streams.

- Estimate: 85 hrs @ \$63/hr = **\$5,355**

**TASK 3. Stream Monitoring Summary Report**

The WCD will prepare and submit to the City of Scandia by January 15<sup>th</sup> a summary report of the findings of the stream water quality and quantity monitoring. WCD will review the groundwater monitoring reports and coordinate with City's groundwater consultant in reporting any correlating effects. The report will also include summaries and recommendations, if any adverse effects are found that could potentially be caused by mining activities at the proposed Zavoral Mine.

- Estimate: 30 hrs @ \$63/hr = **\$1,890**

**Technical Service 1: Surface Water Monitoring Summary**

**Estimated Total: \$22,120**

## **Technical Service 2: Wetland Boundary Monitoring**

### **TASK 1. On-site review of wetland boundaries**

The WCD will coordinate with the Technical Evaluation Panel (TEP), Applicant, and City to conduct an annual field review of the wetland boundaries delineated within the Zavoral Mine project boundary (Wetlands A, B, C as shown in the CCES wetland delineation report dated January 14, 2011). The WCD will prepare and disseminate TEP Findings of Fact summarizing the results and observations of the field review.

The WCD will also review hydrologic monitoring data collected by other City partners and review for changes to the wetland boundaries. Upon receipt of the data, a summary technical memorandum will be prepared and submitted to the City with WCD's findings and conclusions.

- Estimate: 12hrs @ \$63/hr = **\$756**

## **Technical Service 2: Wetland Boundary Monitoring**

**Estimated Total: \$756**

### Technical Service 3: Erosion and Sediment Control Inspections

#### TASK 1. Site Inspection and Summary Reporting

The WCD will provide site inspections of the proposed Zavoral Mine during times of operation to ensure that erosion/sediment control, stormwater management, and other related requirements are met, as per the project Stormwater Pollution and Prevention Plan (SWPPP) and conditions, if any, of the Conditional Use Permit or Annual Operating Permit. The quantity and frequency of inspections are dependent on mining operations and therefore will be done on an as-needed basis during defined haul events or, at a minimum, monthly inspections will occur April through November. Additional inspections shall be at the request of the City and will be billed on an hourly basis. The inspections will verify that stormwater management facilities and erosion/sediment control practices are functioning, are in compliance, and are installed as per the project SWPPP. Any and all violations will be reported to the City for enforcement action, in writing or via email, within 24 hours of observing the site being out of compliance. A summary email or memo will be submitted to the City after each inspection

- Estimated 8 site inspections: 3 hrs per inspection @ \$63/hr = \$1,512
  - Prepare and submit 8 summary emails: 8 total hours @ \$63/hr = \$ 504
- Total \$2,016**

#### Technical Service 3: Erosion and Sediment Control Inspections Summary

**Estimated Total: \$2,016**

#### **Technical Service 4: Threatened and Endangered Species (T&E)**

**TASK 1. Conduct Site Reviews to document Compliance with Tiller Corporation's Standard Operating Procedures (SOP) for operations near Blanding's Turtles**

Site reviews will be conducted, in conjunction with other Technical Services, to verify compliance with the Blanding's turtle mitigation measures as listed in Appendix C of the Zavoral Mine FEIS.

- Estimated 1 site inspections: 1 hr per inspection @ \$63/hr = **\$63**

**TASK 2. Annual Inspection of Site and Monitor T&E Listing Status of Butternut Tree**

The WCD will perform one annual inspection of the Zavoral Mine site. The site inspection will verify the presence of the one disease-free butternut tree within the property.

- Estimate: 1 hr @ \$63/hr = **\$63**

#### **Technical Service 4: Threatened and Endangered Species Summary**

**Estimated Total: \$126**

## **Technical Service 5: Reclamation Plan Review and Inspection**

### **TASK 1. Review Zavoral Reclamation Report and Plan**

The WCD will review the Zavoral Property Reclamation Report for 2013 activities and any necessary Reclamation Plan amendments to ensure the Reclamation plan meets the requirements of the conditions of an approved conditional use permit and is consistent with the potential mitigation measures as provided in the Zavoral Mine FEIS.

- Estimate: 8 hours @ \$63/hr = **\$504**

### **TASK 2. Conduct Site Inspections to Verify Implementation of the Restoration Plan**

The WCD will perform inspection of the Zavoral Mine site on an as needed basis during implementation of the restoration plan. Since this task will depend on the phasing of the project, timing of the reclamation activities, and schedules of the various mining activities, the cost estimate may be subject to significant changes. This task includes coordinating with the City and Tiller to obtain restoration activity timelines.

- Estimated 4 site inspections: 2 hrs per inspection @ \$63/hr = **\$504**

## **Technical Service 5: Reclamation Report/Plan Review and Inspection Summary**

**Estimated Total: \$1,008.00**

## **Technical Service 6: Annual Operating Permit Review**

### **TASK 1. Review Annual Operating Permit and Provide Technical Assistance**

The WCD will review the 2014 Zavoral Mine Annual Operating Permit (AOP) and provide technical assistance during the City's review process as it relates to the AOP application and the Technical Services as listed in this proposal (1-5). This task includes attending up to two City Council meetings with the AOP application on the agenda. This task also includes attending one meeting with City Staff.

- Estimate: 16 hours @ \$63/hr = **\$1,008**

**Technical Service 6: Annual Operating Permit Review Summary**  
**Estimated Total: \$1,008**