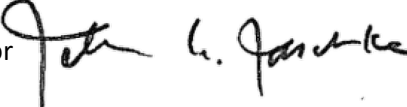


DATE: December 5, 2023

TO: Board of Water and Soil Resources' Members, Advisors, and Staff

FROM: John Jaschke, Executive Director 

SUBJECT: BWSR Board Meeting Notice – December 14, 2023

The Board of Water and Soil Resources (BWSR) will meet on Thursday, December 14, 2023 beginning at 9:00 a.m. The meeting will be held in the lower-level Board Room, at 520 Lafayette Road North, St. Paul and by Microsoft Teams. Individuals interested in attending the meeting through Teams should do so by either 1) logging into Teams by [clicking here to join the meeting](#) or 2) join by audio only conference call by calling telephone number: 651-395-7448 and entering the conference ID: 293 933 020#.

The following information pertains to agenda items:

COMMITTEE RECOMMENDATIONS

Grants Program and Policy Committee

1. **CWF FY 24 competitive grant application recommendations** – On June 29, 2023 the Board adopted Board Order #23-40, which authorized staff to conduct a request for proposals from eligible local governments for Clean Water Fund projects in the following program categories: Projects and Practices, & Drinking Water. Applications for the FY2024 Clean Water Fund Competitive Grants were accepted from June 29 through August 24, 2023. Local governments submitted 64 applications requesting \$23,516,843.50 in Clean Water Funds. BWSR staff conducted multiple processes to review and score applications and involved staff from other agencies to develop the proposed recommendations for grant awards per the attached spreadsheets. On November 20, the Grants Program and Policy Committee made a recommendation to the full Board. A draft order is attached based on that recommendation of the Grants Program and Policy Committee.

DECISION ITEM

Water Management and Strategic Planning Committee

1. **Nonpoint Priority Funding Plan Revision** – BWSR adopted the first version of the Nonpoint Priority Funding Plan (NPPF) in 2014. Subsequent updates did not change the fundamental elements – which laid out a vision for the transformation to watershed-based planning and funding. That vision has largely been realized over the past decade. Legislation in 2019 allowed BWSR to establish alternative timelines or content for the NPPF in consideration of the watershed transition (locally driven and state supported planning and non-competitive funding for plan implementation) and connections to the Clean Water Council's strategic plan. This order incorporates elements of a previous board order (21-60), allowing for additional time to complete the NPPF revision. **DECISION ITEM**

Northern Region Committee

1. **Mississippi River-Brainerd River Comprehensive Watershed Management Plan** – The Mississippi River-Brainerd watershed was selected by BWSR as one of the planning areas for the One Watershed, One Plan program in 2021. The watershed partnership Policy Committee and Advisory Committee members have attended regularly scheduled meetings and submitted the Mississippi River-Brainerd Watershed Comprehensive Watershed Management Plan to BWSR on October 24, 2023, for review and approval. The Northern Regional Committee met on November 1, 2023, to review the content of the Plan, State agency comments on the Plan, and to make a recommendation. The Committee recommends approval of the submitted Plan by the full Board. ***DECISION ITEM***

Wetland Conservation Committee

1. **Local Government Roads Wetland Replacement Program Easement Acquisition Payment Rate** – The Board adopted the “Wetland Credit Acquisition Plan - Local Government Roads Wetland Replacement Program” (Plan) on March 27, 2019, through Board Order 19-18 as an overall framework for acquiring wetland credits as funds are appropriated for the Local Government Roads Wetland Replacement Program (LGRWRP). Due to recent increases in farmland values, the long-term risks and responsibilities associated with wetland bank sites, and the existence of other more financially attractive alternatives, it has become increasingly challenging to attract and retain quality wetland restoration projects sufficient to meet BWSR’s statutory obligation to provide wetland replacement credits for qualifying local government road projects. The 2019 plan sets the easement sign-up payment rate at 125% of the Reinvest in Minnesota (RIM) program per-acre payment rate. Staff are proposing to increase the program’s easement payment rate to 150% of the RIM per-acre payment rates to remain competitive in attracting high quality wetland restoration projects. ***DECISION ITEM***

RIM Reserve Committee

1. **Reinvest in Minnesota (RIM) Easement Enhancement Program** – ML 2023 Chapter 60, Article 1, Section 4(o) designated “\$2,000,000 the first year and \$2,000,000 the second year to enhance existing easements established under Minnesota Statutes, sections 103F.501 to 103F.531. Enhancements are for the purposes of climate resiliency, adaptation, and carbon sequestration and include but are not limited to increasing biodiversity and mitigating the effects of rainfall and runoff events.” This program will inspect and prioritize vegetative and structural enhancements on existing easements to improve easement lands resiliency, provide for added carbon sequestration, increase biodiversity for current and future climates as well as assist in mitigating larger rainfall events. Structural project examples include, but are not limited to, modifying outlet structures or increasing the footprint of existing wetland restorations to increase capacity. Vegetative work examples include, but are not limited to, pollinator planting and enhanced biodiversity of existing vegetation on site. ***DECISION ITEM***
2. **RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-01-17-01** – The MN Department of Transportation is undertaking the reconstruction of a segment of State Highway 93 from the intersection of US Highway 169 to the City of Henderson. This reconstruction will include a significant grade raise of the roadway to mitigate the reoccurring road closures due to flooding of the Minnesota and Rush Rivers along this corridor. With the roadway being raised, additional right of way is needed to maintain standard slopes and ditches for the safety of the traveling public. MnDOT is requesting the release of 0.98 acres from RIM easement 72-01-17-01 (known as MnDOT Parcel 40) to accommodate for the new right-of-way.

The supporting map shows the existing RIM easement and the area proposed for release.

BWSR’s Easement Alteration Policy for public benefitted projects allows for release of land from the easement if the public entity compensates BWSR for the released acres at two times the current RIM payment rate, plus reimbursement of state funds paid for conservation practices, and a \$500 administrative fee. MnDOT has agreed to compensate BWSR according to the following calculations:

(2x current CREP cropland rate for Henderson Township) = \$10602.05/acre x 2 = \$21,204.1/acre
\$21,204.1 x 0.98 acres to be released= \$20,780.02
\$20,780.02 x 20.05% (BWSR portion of CREP payment) = \$4,166.39
Cost for conservation practice payments paid by state on release area: \$62.06/acre (BWSR portion) for direct seeding of hardwoods x 0.98 acres = \$60.62
Application fee for easement alteration request = \$500
Total cost due to BWSR for Easement Alteration: \$4,727.01

This easement, having been funded through the Outdoor Heritage Fund, requires approval by the Lessard-Sams Outdoor Heritage Council prior to this release. The easement alteration request was presented to the Council at their November 16, 2023 meeting. OHF dollars originally spent to acquire these acres will be returned to the fund, with the additional dollars (less the \$500 processing fee) to be used towards future RIM wetland easement acquisition.

Recommendation

Easement staff recommends approval of the easement alteration request, to amend easement 72-01-17-01 to release 0.98 acres, as proposed, to accommodate improvements to State Highway 93 for the benefit and safety of the public. **DECISION ITEM**

3. **RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-04-93-01** – The MN Department of Transportation is undertaking the reconstruction of a segment of State Highway 93 from the intersection of US Highway 169 to the City of Henderson. This reconstruction will include a significant grade raise of the roadway to mitigate the reoccurring road closures due to flooding of the Minnesota and Rush Rivers along this corridor. With the roadway being raised, additional right of way is needed to maintain standard slopes and ditches for the safety of the traveling public. MnDOT is requesting the release of 0.4 acres from RIM easement 72-04-93-01 (known as MnDOT Parcel 32) to accommodate for the new right-of-way.

The supporting map shows the existing RIM easement and the area proposed for release.

BWSR's Easement Alteration Policy for public benefitted projects allows for release of land from the easement if the public entity compensates BWSR for the released acres at two times the current RIM payment rate, plus re-imburement of state funds paid for conservation practices, and a \$500 administrative fee. MnDOT has agreed to compensate BWSR according to the following calculations:

Current RIM payment rate for Henderson Township: \$8218.64/acre
2x current rim rate = 16,437.28 x 0.4 acres = \$6574.91 for release per BWSR Policy
Application fee per BWSR policy = \$500
No State funds were spent on conservation practices on this parcel.
Total cost for Easement Alteration request of easement 72-04-93-01 = \$7074.91

Recommendation

Easement staff and the RIM Reserve Committee recommend approval of the easement alteration request, to amend easement 72-04-93-01 to release 0.4 acres, as proposed, to accommodate improvements to State Highway 93 for the benefit and safety of the public. **DECISION ITEM**

4. **Reinvest in Minnesota (RIM) Reserve Critical Shorelands Program** – ML 2023 Chapter 40, Article 2, Section 6(k) designated funds “to purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but that are threatened with degradation”. This project will utilize RIM easements to protect priority parcels in the Rum, Crow Wing, Pine and Mississippi River (Brainerd) Watersheds, important and threatened tributaries to the Mississippi River and the source water for numerous Twin City and rural communities while providing numerous other benefits. Initial funding for the program was approved by the Board in 2015 (Pine River), 2017 (Crow Wing River), 2019 and 2021 (Rum River). With the exception of 2021, those funds have been allocated and there is a waiting list of landowners who are interested in getting into the program. This resolution adds the Mississippi River (Brainerd) watershed, makes

funds available to all 4 watersheds, authorizes staff to reallocate 2021 funds to ensure they get used before they expire, and to utilize new and existing funds to continue to implement this program. **DECISION ITEM**

5. **Reinvest in Minnesota Reserve – Working Lands Program** – Minnesota Laws of 2019, Chapter 2, Article 1, Section 4(d) allowed for up to \$1,000,000 to be used to acquire working lands easements. These initial funds were used to establish a RIM Working Lands Pilot Program. With these funds, staff, working with partners, developed eligibility requirements, process, procedures, payment rates and cost share rates and began taking applications for the program. Recently, Minnesota Laws of 2023, Ch. 40, Art. 1, Sec. 2, subd. 2(e) appropriated an additional \$2,709,000 to the program which is now ready to move from a pilot to a fully operational program.

This resolution authorizes expenditure of the new funds and implements the program into the future using the process developed during the pilot phase. **DECISION ITEM**

6. **Reinvest in Minnesota (RIM) Reforestation Program** – ML 2022 Chapter 94, Section 2, Subd. 8(j) as amended in ML 2023 Chapter 60, Article 2, Section 14 designated “\$3,318,000. . . to the Board of Water and Soil Resources, in cooperation with soil and water conservation districts, the Mille Lacs Band of Ojibwe, and the Department of Natural Resources, to accelerate tree planting on privately owned, protected lands for water-quality protection and carbon sequestration.” The ENRTF project will significantly expand the capacity of tree planting for private landowners in three priority watersheds – the Rum, Long Prairie and Redeye. These three watersheds are in the transitional zone of the state, where the most significant losses of historic forestland cover have occurred. The project budget includes approximately \$1.4M for easement acquisition via RIM in addition to grant funds to SWCDs. The grant funds were previously approved by the board via Board Order 22-42. The program will utilize the ENRTF funds and future funds from the same or other funding sources to accelerate reforestation efforts in Minnesota. **DECISION ITEM**

7. **Reinvest in Minnesota (RIM) Buffalo-Red River Watershed District (BRRWD) Stream Restoration Program** – ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 5(d) designated funds to “acquire permanent conservation easements and restore and enhance aquatic and upland habitat associated with the Red River and Buffalo River watersheds”. BWSR and BRRWD are partners on the program. BRRWD, with BWSR’s assistance, will work to secure easements on several straightened stream reaches within BRRWD for restoration as well as restoration of the adjoining riparian habitat corridors.

This resolution authorizes expenditures of the new funds as well as future funds for the same purpose and implements the program using the process developed with BRRWD. **–DECISION ITEM**

8. **Reinvest in Minnesota (RIM) Reserve Grasslands Program** – ML 2019, 1st Sp. Session, Ch. 2, Art. 1, Sec. 2, subd. 2(g), ML 2020, Ch. 104, Art. 1, Sec. 2, subd 2(g), ML 2021, First Sp. Session, Ch. 1, Art. 1, Sec. 2, subd. 2(k), ML 2022, Ch. 77, Art. 1, Sec. 2, subd. 2(b) and ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 2(c) all designated funds to “acquire permanent conservation easements and to restore and enhance grassland habitat.” Staff began implementing the RIM Grasslands program in late 2019/early 2020 acting under Resolution 13-108, Reinvest in Minnesota (RIM) Reserve – Grasslands for the Future Pilot Project. After recent review of the previous resolution, it became clear to staff that the current Grasslands program is operating significantly differently than the program in 2013 and a new resolution was warranted for the current version of the Grasslands Program.

This resolution authorizes expenditures of the new funds, previous funds and future funds for the same purpose and implements the program using the process developed with input from local staff. **DECISION ITEM**

If you have any questions regarding the agenda, please feel free to call me at 651-539-2587. We look forward to seeing you on December 14th.

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD NORTH
ST. PAUL, MN 55155
THURSDAY, DECEMBER 14, 2023**

PRELIMINARY AGENDA

9:00 AM CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA

MINUTES OF OCTOBER 25, 2023 BOARD MEETING

PUBLIC ACCESS FORUM (10-minute agenda time, two-minute limit/person)

INTRODUCTION OF NEW STAFF

- Eric Forward, Easement Acquisition Specialist
- Jen Swartz, Easement Acquisition Specialist
- Kristina Geiger, Program Analyst
- Sumbal Rana, Assistant Program Analyst
- Kevin Roth, Easement Programs Coordinator
- Sara Reagan, Easement Programs Coordinator
- Don Bajumpaa, PRAP Coordinator
- Jennifer Hahn, Federal Conservations Programs Coordinator

CONFLICT OF INTEREST DECLARATION

A conflict of interest, whether actual, potential, or perceived, occurs when someone in a position of trust has competing professional or personal interests, and these competing interests make it difficult to fulfill professional duties impartially. At this time, members are requested to declare conflicts of interest they may have regarding today's business. Any member who declares an actual conflict of interest must not vote on that agenda item. All actual, potential, and perceived conflicts of interest will be announced to the board by members or staff before any vote.

REPORTS

- Chair & Administrative Advisory Committee – Todd Holman
- Executive Director – John Jaschke
- Audit & Oversight Committee – Joe Collins
- Dispute Resolution and Compliance Report – Travis Germundson/Rich Sve
- Grants Program & Policy Committee – Mark Zabel
- RIM Reserve Committee – Jayne Hager Dee
- Water Management & Strategic Planning Committee – Joe Collins
- Wetland Conservation Committee – Jill Crafton
- Buffers, Soils & Drainage Committee – LeRoy Ose
- Drainage Work Group – Neil Peterson/Tom Gile

AGENCY REPORTS

- Minnesota Department of Agriculture – Thom Petersen
- Minnesota Department of Health – Steve Robertson
- Minnesota Department of Natural Resources – Sarah Strommen
- Minnesota Extension – Joel Larson
- Minnesota Pollution Control Agency – Katrina Kessler

ADVISORY COMMENTS

- Association of Minnesota Counties – Brian Martinson
- Minnesota Association of Conservation District Employees – Mike Schultz
- Minnesota Association of Soil & Water Conservation Districts – LeAnn Buck
- Minnesota Association of Townships – Eunice Biel
- Minnesota Watersheds – Jan Voit
- Natural Resources Conservation Service – Troy Daniell

COMMITTEE RECOMMENDATIONS

Grants Program and Policy Committee

1. CWF FY 24 competitive grant application recommendations – Annie Felix-Gerth – ***DECISION ITEM***

Water Management and Strategic Planning Committee

1. Nonpoint Priority Funding Plan Revision – Julie Westerlund – ***DECISION ITEM***

Northern Region Committee

1. Mississippi River – Brainerd Comprehensive Watershed Management Plan – Todd Holman, Steve Barrows, Ryan Hughes, and Darren Mayers – ***DECISION ITEM***

Wetland Conservation Committee

1. Local Government Roads Wetland Replacement Program Easement Acquisition Payment Rate – Les Lemm and Dennis Rodacker – ***DECISION ITEM***

RIM Reserve Committee

1. Reinvest in Minnesota (RIM) Easement Enhancement Program – Sharon Doucette – ***DECISION ITEM***
2. RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-01-17-01 – Karli Swenson – ***DECISION ITEM***
3. RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-04-93-01 – Karli Swenson – ***DECISION ITEM***
4. Reinvest in Minnesota (RIM) Reserve Critical Shorelands Program – Bill Penning – ***DECISION ITEM***
5. Reinvest in Minnesota Reserve – Working Lands Program – Bill Penning – ***DECISION ITEM***
6. Reinvest in Minnesota (RIM) Reforestation Program – Bill Penning – ***DECISION ITEM***
7. Reinvest in Minnesota (RIM) Buffalo-Red River Watershed District (BRRWD) Stream Restoration Program – John Voz – ***DECISION ITEM***
8. Reinvest in Minnesota (RIM) Reserve Grasslands Program – John Voz – ***DECISION ITEM***

UPCOMING MEETINGS

- Northern Region Committee is scheduled for January 3rd time and location TBD and by MS Teams.
- Southern Region Committee is scheduled for January 5th at 10:00 a.m. in New Ulm and by MS Teams.
- BWSR Board meeting is scheduled for January 24th at 9:00 a.m. in St. Paul and by MS Teams.

ADJOURN

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD NORTH
LOWER-LEVEL BOARD ROOM
ST. PAUL, MN 55155
WEDNESDAY, OCTOBER 25, 2023**

BOARD MEMBERS PRESENT:

Joe Collins, Jill Crafton, Jayne Hager Dee, Kurt Beckstrom, Mike Runk, Neil Peterson, Rich Sve, Lori Cox, Ted Winter, LeRoy Ose, Eunice Biel, Todd Holman, Ron Staples, Mark Zabel, Glenn Skuta, MPCA; Joel Larson, University of Minnesota Extension; Thom Petersen, MDA; Steve Robertson, MDH; Sarah Strommen, DNR

BOARD MEMBERS ABSENT:

Kelly Kirkpatrick

STAFF PRESENT:

John Jaschke, Rachel Mueller, Tom Gile, Travis Germundson, Tom Gile, Ryan Hughes, Ed Lenz, Dave Weirens

OTHERS PRESENT:

LeAnn Buck, MASWCD; Sheila Vanney, MASWCD; Jan Voit, Minnesota Watersheds; Amanda Bilek, Jamie Beyer, Sarah Boser

Chair Todd Holman called the meeting to order at 9:01 AM

PLEDGE OF ALLEGIANCE

**
23-56 **ADOPTION OF AGENDA** - Moved by Rich Sve, seconded by Mark Zabel, to adopt the agenda as presented. *Motion passed on a roll call vote.*

**
23-57 **MINUTES OF AUGUST 24, 2023 BOARD MEETING** – Moved by Jayne Hager Dee, seconded by Joe Collins, to approve the minutes of August 24, 2023, as circulated. *Motion passed on a roll call vote.*

PUBLIC ACCESS FORUM

No members of the public provided comments to the board.

CONFLICT OF INTEREST DECLARATION

Chair Holman read the statement:

“A conflict of interest, whether actual, potential, or perceived, occurs when someone in a position of trust has competing professional or personal interests, and these competing interests make it difficult to fulfill professional duties impartially. At this time, members are requested to declare conflicts of interest they may have regarding today’s business. Any member who declares an actual conflict of interest must not vote on that agenda item. All actual, potential, and perceived conflicts of interest will be announced to the board by members or staff before any vote.”

REPORTS

Chair & Administrative Advisory Committee – Chair Todd Holman reported he attended the EQB meeting last week where MPCA gave an update on Minnesota’s Climate Action Framework and Interagency Climate Work. Stated Lance Chisholm, Morrison Soil and Water Conservation District RIM Easement Technician is being recognized by his colleagues at BWSR Academy as an outstanding employee of the year. Stated the Mississippi Headwaters Board has their biennial conference on Friday.

Executive Director’s Report - John Jaschke reported BWSR Academy is currently taking place with training opportunities, more information is available on our website. Budget processes are underway for bonding submittals and will be presented to the Governor’s office and MMB on Friday. John stated he attended the Minnesota Water Resources Conference was last week and it was a great learning opportunity. Stated they may have an opportunity for some very limited supplemental budget proposals, the Governor’s Office will give direction in the upcoming months. Stated there are a number of climate endeavors underway including work towards federal funding pursuits. Stated MFU Ag Land Action information is listed on Farmers Union website here <https://mfu.org/mfu-foundation-com-climate-working-lands/>. EPA Climate Pollution Reduction Plan/Grants information is located here <https://www.pca.state.mn.us/business-with-us/climate-pollution-reduction-grants>.

Audit and Oversight Committee – Joe Collins reported the committee has not met.

Dispute Resolution and Compliance Report – Rich Sve reported the committee has not met. Travis Germundson reported there are presently four appeals pending. There have been three new appeals filed since last report.

File 23-9 is an appeal of a WCA restoration order for property located in Crow Wing and Aikin County. The appeal regards the placement of fill material for multiple wetland crossings and an air strip. No decision has been made on the appeal.

File 23-8 is an appeal of a WCA Notice of Decision in Morrison County. The appeal regards the denial of a wetland boundary/type decision associated with an old roadway. At issue, is legal access to all properties along the private roadway for the purpose of field review. The appeal has been remanded back to Morrison SWCD to address the record as far as application requirements.

File 23-7 is an appeal of a WCA Restoration Order in Lyon County. The appeal regards the placement of tile lines within the lateral effect setback area of several wetlands on an adjacent Wildlife Management Area (WMA). The appeal has been denied and the Restoration Order Affirmed.

There are two other appeals that will be moving towards a DRC hearing. File 23-4 the DRC will be having a hearing March 7, 2024. File 23-6 is an appeal of an after-the-fact replacement plan applications in Brown County. It's currently in the process of scheduling a prehearing conference.

Travis provided a Buffer Compliance Status Update. Stated their tracking tool BuffCAT will be updated in December. It's a tool used primarily by SWCD's to track compliance.

Sarah Strommen stated she received questions about the status of buffer compliance and asked if there was a place she could direct them. Travis stated there is a progress map on our website that is updated yearly.

Grants Program & Policy Committee – Mark Zabel reported there are three items on the agenda for today. Stated the Buffers Soil and Drainage Committee was invited to attend their committee meeting.

RIM Reserve Committee – Jayne Hager Dee reported the committee has not met. Meeting is scheduled for November 13th.

Water Management & Strategic Planning Committee – Joe Collins reported the committee has not met and are expecting one or two meetings to be scheduled before our next board meeting.

Wetland Conservation Committee – Jill Crafton reported the committee has not met.

Buffers, Soils & Drainage Committee – LeRoy Ose reported the committee has not met.

Drainage Work Group (DWG) – Neil Peterson and Tom Gile reported they met in September and October primarily on the status of outlet adequacy and notice requirements.

Jill Crafton stated she attended the Water Resources Conference and was impressed with Rita Weaver's drainage presentation and thought it was a good discussion.

AGENCY REPORTS

Minnesota Department of Agriculture – Thom Petersen reported it was good to see the rain. Stated the harvest has been going well. There has been a large outbreak of high pathogenic avian influenza in the last two weeks. They are working on getting their Soil Health Equipment Grants out, stated there was a lot of interest. They will be holding their Organic Conference the first part of January. Stated they have been working with hemp for about eight years in the state and next year they're likely to have their first big processors.

Minnesota Department of Health – Steve Robertson reported he appreciated the value from the Water Resources Conference last week. Stated there were multiple session on groundwater and drinking water.

Steve stated the Water Reuse group has been established and will give Rachel Mueller the of list of stakeholders to distribute. They will be meeting for the first time tomorrow and will be facilitated by a consultant.

Minnesota Department of Natural Resources – Sarah Strommen reported the public comment period is open for the Wildlife Management Area master plan for Lac qui Parle. There is also an online open house this evening and a questionnaire online. Commissioner Strommen shared ongoing work around their stream restoration efforts that include both channel restoration and dam removals. Stated their Get Out MORE webpage went live yesterday. They recently released the midpoint review of their sustainable timber harvest piece of the forest management strategic direction, the report is available on their website. Celebrated the Governor’s Pheasant Hunting opener in Owatonna a couple weeks ago. Deer Hunting opener is next week in Lanesboro at Eagle Bluff Learning Center.

Jayne Hager Dee noted that the fishing, pheasant, and deer openers took place in Southern Minnesota.

Glenn Skuta heard pheasant populations are increasing and was wondering if buffer laws have had an impact on pheasant populations. Sarah stated that populations are up over the 10-year average and weather and habitat can impact populations.

Lori Cox asked if there is information about chronic wasting disease available. Commissioner Strommen stated they have created opportunities on opening weekend to test for chronic wasting disease. There is also information on their website.

Neil Peterson stated they are a doing bridge replacement and adjacent is a DNR boat landing, wanted to get in touch with someone to update that area as they complete the bridge replacement. Commissioner Strommen stated she would get him that information.

Jill Crafton asked how long the Lac qui Parle comment period is. Sarah stated its open until November 8th and there will be additional opportunities for comment.

LeRoy Ose stated deer hunting is encouraged close to the cities. Also stated grasses are a great for nesting birds.

Minnesota Extension – Joel Larson reported they had their Water Resources Conference last week. Stated the Midwest Climate Resilience Conference is this week. Stated they will be rolling out a visualization and mapping analysis tool using the long-term climate projections. Joel will share a link to the website to preview it. The Annual Soil Management Summit is December 7th through 8th at the Arrowwood Resort in Alexandria.

John stated there were two awards presented at the MN Water Resources Conference. Mark Doneux, the Administrator of Capitol Region Water District received the Dave Ford Award. Madeline Nightblade, a recent graduate received the Deborah Swackhamer Early Career Award. Joel stated John Lieber, a professor at the University and Madeline both received a Lifetime Achievement Award.

Jill Crafton said the conference was great. Jill asked if they’re looking at older metrics when looking at precipitation. Joel stated his understanding is that the projections are intended to incorporate recent past, but primarily future expectations.

Lori Cox asked if Joel could give a range on what the recent past period is for modeling. Joel stated he could follow-up with Lori.

Minnesota Pollution Control Agency – Glenn Skuta reported he attended the Upper Mississippi River Basin Association meeting. Two priorities they talked about were monitoring of the rivers and the focus on nutrient reduction. The Association produced a How Clean is the River Report earlier this year. Stated they finalized a Five State Monitoring Plan.

ADVISORY COMMENTS

Association of Minnesota Counties – No report was provided.

Minnesota Association of Conservation District Employees – No report was provided.

Minnesota Association of Soil & Water Conservation Districts – LeAnn Buck stated the Soil Health Program Grants that we'll be speaking on later in the meeting is a huge opportunity to address an important resource concern. Stated their annual meeting is December 11th through 13th in Bloomington.

Neil Peterson thanked LeAnn and her organization for the work they do.

Minnesota Association of Townships – Eunice Biel reported their annual conference is December 7th through 9th in St Cloud. Stated the 2023 Fall Legislative and Research meeting was held virtually on October 4th. Township Day at the Capitol will be on April 8 and 9, 2024. The 2023 Active Transportation and Safe Routes to School Infrastructure solicitations are now open. The draft 2024 Clean Water Revolving Fund intended for use plans and Drinking Water Revolving Fund intended use plans are out for public comment until November 13th. Stated there are Minnesota Local Road Improvement Program trainings online.

Minnesota Watersheds – Jan Voit reported she attended the Metro Watersheds meeting last week. Met with Justin Hanson and toured the Mississippi WMO office with Kevin Reich and learned about projects they're doing. Stated they are talking about doing training for boards specifically and will work on it in the coming year. Their annual conference is November 28th through December 1st at Arrowwood in Alexandria. Stated they are continuing to work on their lobbyist succession plan.

Natural Resources Conservation Service – No report was provided.

Chair Holman called a recess at 10:32 a.m. and called the meeting back to order at 10:46 a.m.

John Jaschke reviewed the Snapshots articles that were included in the Day of Packet.

COMMITTEE RECOMMENDATIONS

Grants Program and Policy Committee

Board Authorization to develop a Request for Proposal (RFP) for fiscal year 2024 and 2025 Cooperative Weed Management Area (CWMA) Program – Dan Shaw presented the Board Authorization to develop an RFP for fiscal year 2024 and 2025 CWMA Program

The CWMA program started in 2009 and provides financial assistance to develop and sustain Cooperative Weed Management Areas that control emerging weed threats and manage natural areas and conservation lands through an integrated pest management and ecosystem approach. The Board has previously endorsed an inter-agency granting strategy that includes an interagency project Advisory Team to assist in the development and evaluation of this grant program. The Grants Program and Policy Committee, at their September 18 and October 16, 2023 meeting, reviewed the staff request and recommended approval to the Board.

Lori Cox asked what kind of verbiage is used and what the anticipated outcomes are. Dan stated there are a wide range of activities and the outcomes vary quite a bit. Lori asked what the success rate is. Dan stated he feels like the accomplishment rate is high.

Mark Zabel stated there seems to be differences between the regional map and the state map and asked if Dan could address it. Dan stated Clay County was the first one in the state, so it shows up on the regional map. Stated they haven't funded it through their program so that's why it doesn't show up on their map. Also stated the regional map hasn't been updated recently.

Jill Crafton stated this program is important.

Glenn Skuta asked if buckthorn, which is an invasive species but not a weed was part of this. Dan stated this program is mainly focused on terrestrial invasive plants.

John Jaschke stated members can complete the conflict-of-interest form or note while voting if there is a conflict on this and other items to follow.

**
23-58 Moved by Jill Crafton, seconded by Kurt Beckstrom, to approve the Board Authorization to develop a Request for Proposal (RFP) for fiscal year 2024 and 2025 Cooperative Weed Management Area (CWMA Program). **Motion passed on a roll call vote.**

Multi-Purpose Drainage Management Grants – Tom Gile presented Multi-Purpose Drainage Management Grants

The MDM Grant program has not historically been a heavily used grant program. Staff has been working with Drainage interests for more than a year soliciting feedback to assess why the program isn't getting heavy use while there seems to be obvious desire and interest from Drainage Authorities and their partners. The key feedback has been the inflexibility of the 103E directed process and challenges for drainage authorities to align their drainage proceedings with an annual funding cycle. Based on that feedback we are proposing an adjustment to the BWSR grant cycle for this program in an effort to allow more readily available funding that can better align with a more rigid 103E process. To do this will require prompt turn around by staff in making awards as well.

Jayne Hager Dee asked for clarification on who the applicants would be. Tom stated they could be Counties, Watershed Districts, Watershed Management Organizations, Soil and Water Conservation Districts, Local Government Joint Power Boards, or Drainage Authorities. Jayne asked if the funding is first come first serve. Tom stated there would be a ranking process.

Lori Cox asked if there is an amount they are looking at for the 24 grants. Tom is estimating between \$900,000 and \$950,000 will be available for the first fiscal year. There will be additional funding in that amount also available the second fiscal year of the biennial. Lori asked if he could give examples of what a multi-purpose benefit might be from an applicant. Tom described an example.

Jill Crafton stated she thinks this is great and gives a lot more flexibility.

**
23-59 Moved by Jill Crafton, seconded by Mike Runk, to approve the Multi-Purpose Drainage Management Grants. **Motion passed on a roll call vote.**

Soil Health Program Grants – Tom Gile presented Soil Health Program Grants

During the recent legislative session over \$33 million was appropriated to BWSR for Soil Health related activities. BWSR has also since applied for an NRCS RCPP grant totaling \$25 million. We are currently anticipating NRCS awards announcements this winter. We are asking to allow for a competitive program to increase soil health expertise locally, which will lead to direct increase in local partnerships and landowner engagement. In addition, we plan to distribute a non-competitive Soil Health Programing Grant, which will drive locally lead implementation of soil health related activities and practice installation. Our goal is to have both programs developed and timed as best as we can to coincide with the NRCS RCPP Awards announcement to maximize our proposed contribution with the NRCS Funding should we be awarded. Our state programing is also being designed so that it can function in the same manner with or without Federal Dollars in play providing us with greater flexibility to continue moving forward no matter the NRCS funding decisions.

Lori Cox asked since it's from both budgets is there a proportion from one and the other. Tom stated there is not a specific percentage at this time. John Jaschke stated until we hear back on our proposal it's hard to get specific but will bring that information back to the board once we have updates to report.

Jill Crafton asked if Jennifer Hahn's work will be touched here. John Jaschke stated Jennifer is already involved.

**
23-60 Moved by LeRoy Ose, seconded by Joe Collins, to approve the Soil Health Program Grants. ***Motion passed on a roll call vote.***

NEW BUSINESS

2024 Proposed BWSR Board Meeting Schedule – John Jaschke presented 2024 Proposed BWSR Board Meeting Schedule

Meeting dates are being proposed for board meetings in 2024. Most meetings are the fourth Wednesday of the month, unless otherwise noted. The proposed calendar has meetings held in the same months as the 2023 calendar.

**
23-61 Moved by Rich Sve, seconded by Joe Collins, to approve the 2024 Proposed BWSR Board Meeting Schedule. ***Motion passed on a roll call vote.***

UPCOMING MEETINGS

- Northern Region Committing is scheduled for November 1st at 11:00 a.m. in Brainerd and by MS Teams.
- Goals and Strategies Session is scheduled for November 6th at 9:00 a.m. at the Eagan Community Center.
- RIM Committee is scheduled for November 13th at 11:00 p.m. in St. Paul and by MS Teams.
- BWSR Board meeting is scheduled for December 14th at 9:00 a.m. in St. Paul and by MS Teams.

Chair Holman adjourned the meeting at 11:37 AM.

Respectfully submitted,

Todd Holman
Chair

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Dispute Resolution/Compliance Report

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Keywords for Electronic Searchability: Wetland Conservation Act Appeals/Buffer Compliance

Section/Region: Central

Contact: Travis Germundson

Prepared by: Travis Germundson

Reviewed by: _____ Committee(s)
Rich Sve DRC Chair and Travis Germundson

Presented by: Germundson

Time requested: 5 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

None

LINKS TO ADDITIONAL INFORMATION

See attached report.

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The report provides a monthly update on the number of appeals filed with the Board of Water and Soil Resources and summary on buffer compliance/enforcement actions statewide.

Dispute Resolution and Compliance Report

November 27, 2023

By: Travis Germundson

There are presently **five** appeals pending. There have been **two** new appeals filed since last report.

Format note: New appeals that have been filed since last report to the Board.

~~Appeals that have been decided since last report to the Board.~~

File 23-11 (11/16/23) This is an appeal of a WCA notice of decision regarding a no-loss in McLeod County. The appeal regards the denial of a no-loss application. At issue are claims that a portion of the wetland area is incidental. No decision has been made on the appeal.

File 23-10 (10/24/23) This is an appeal of a WCA Restoration Order for a property in Aitkin County. The appeal regards the placement of fill material in excess of what was previously approved by the LGU under two separate replacement plans. No decision has been made on the appeal.

File 23-9 (10/23/23) This is an appeal of a WCA Restoration Order for property located in Crow Wing and Aitkin County. The appeal regards the placement of fill material for multiple wetland crossings including a portion of an airstrip. *No decision has been made on the appeal.*

~~File 23-8 (9/25/23) This is an appeal of a WCA Notice of Decision in Morrison County. The appeal regards the denial of a wetland boundary/type decision associated with an old roadway. At issue, is legal access to the entire project area for the purpose of field review. The appeal was remanded back to Morrison Soil and Water Conservation District to develop an adequate record. A new decision was issued under remand denying the wetland boundary and type application.~~

File 23-6 (8-8-23) This is an appeal of two separate after-the-fact replacement plan applications in Brown County. The appeal regards the denial of those applications. A previous decision of one of the applications had been appealed (File 22-7). That appeal was remanded back to develop an adequate record and now the decision made under remand is being appealed along with another application for the same impact/project. *A decision was made to grant and hear the appeal. The LGU has complied the official record on which the decision was based. The parties have since requested a stay to the administrative proceedings to allow additional time to work on potential settlement.*

File 23-4 (6-16-23) This is an appeal of a WCA notice of decision involving a banking plan in Aitkin County. The appeal regards the approval of a the Mille Lacs Meadows North Wetland Bank consisting of an area of approximately 617.3 acres. The appeal contends that the site is ineligible for replacement wetland credits. *A decision has been made to grant and hear the appeal. The LGU has complied a copy of the official record. A DRC hearing date of March 7, 2024 has been scheduled.*

Summary Table for Appeals

Type of Decision	Total for Calendar Year 2022	Total for Calendar Year 2023
Order in favor of appellant		
Order not in favor of appellant	3	4
Order Modified	1	
Order Remanded	2	2
Order Place Appeal in Abeyance	5	
Negotiated Settlement		
Withdrawn/Dismissed	1	2

Buffer Compliance Status Update: BWSR has received Notifications of Noncompliance (NONs) on 60 parcels from the 12 counties BWSR is responsible for enforcement. Currently there are no active Corrective Action Notices (CANs) and three Administrative Penalty Orders (APOs) issued by BWSR that are still active. Of the actions being tracked over 53 of those have been resolved.

Statewide 35 counties are fully compliant, and 51 counties have enforcement cases in progress. Of those counties (with enforcement cases in progress) there are currently 290 CANs and 66 APOs actively in place. Of the actions being tracked over 2,660 of those have been resolved.

**Disclaimer: These numbers are generated monthly from BWSR's Access database. The information is obtained through notifications from LGUs on actions taken to bring about compliance and may not reflect the current status of compliance numbers.*

COMMITTEE RECOMMENDATIONS

Grants Program and Policy Committee

1. CWF FY 24 Projects & Practices grant application recommendations – Annie Felix-Gerth –
DECISION ITEM

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: CWF FY 24 Competitive Grant Application Recommendations

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Keywords for Electronic Searchability: Clean water fund, competitive, grant, award, FY 2024

Section/Region: Regional Operations/Central

Contact: Annie Felix-Gerth

Prepared by: Annie Felix-Gerth

Reviewed by: Grants Program and Policy Committee Committee(s)

Presented by: Annie Felix-Gerth

Time requested: 15 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input checked="" type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

Approval of the FY 2024 Clean Water Fund Competitive Grant Program Awards (Projects and Practices, and Drinking Water sub-grant allocations).

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

On June 29, 2023 the Board adopted Board Order #23-40, which authorized staff to conduct a request for proposals from eligible local governments for Clean Water Fund projects in the following program categories: Projects and Practices, & Drinking Water. Applications for the FY2024 Clean Water Fund Competitive Grants were accepted from June 29 through August 24, 2023. Local governments submitted 64 applications requesting \$23,516,843.50 in Clean Water Funds. BWSR staff conducted multiple processes to review and score applications and involved staff from other agencies to develop the proposed recommendations for grant awards per the attached spreadsheets. On November 20, the Grants Program and Policy Committee made a recommendation to the full Board. A draft order is attached based on that recommendation of the Grants Program and Policy Committee.



DRAFT BOARD ORDER

Fiscal Year 2024 Clean Water Fund Competitive Grant Program Awards

PURPOSE

Authorize the Fiscal Year 2024 Clean Water Fund Competitive Grant Program Awards.

FINDINGS OF FACT / RECITALS

1. The Laws of Minnesota 2023 (fiscal year 2024), Chapter 40, Article 2, Section 6 (b) appropriated \$8,500,000 for the fiscal year 2024 Clean Water Fund Projects and Practices Competitive Grants Program with up to 20 percent available for land-treatment projects and practices that benefit drinking water.
2. The Laws of Minnesota 2019 First Special Session (fiscal year 2020), Chapter 2, Article 2, Section 7 (c) \$4,000,000 the first year and \$4,000,000 the second year are for accelerated implementation, local resource protection, enhancement grants, statewide analytical targeting tools that fill an identified gap, program enhancements for technical assistance, citizen and community outreach, compliance, and training and certification (Fiscal Year 2020). Approximately \$2,069,612 of this appropriation remains uncommitted.
 - a. Section 6 (p) allows the board to shift grant, cost-share, or easement funds for high-priority needs identified in local water management plans.
3. On June 28, 2023, the Board authorized staff to distribute and promote a request for proposals (RFP) for Clean Water Fund Competitive Grants (Board order #23-40).
4. The request for proposals for a total of \$8,700,000 was noticed on June 29, 2023 with a submittal deadline of August 24, 2023.
5. Applications were scored and ranked by the interagency committees on October 18, 2023.
6. On November 14, 2023, BWSR's senior management team reviewed staff's recommendation for allocations and shifting uncommitted funds (approximately \$2,069,612) from the fiscal year 2020 accelerated implementation to the fiscal year 2024 Clean Water Fund Projects and Practices Competitive Grant Program and recommended approval to the Grants Program and Policy Committee.
7. The Grants Program and Policy Committee, at their November 20, 2023 meeting, reviewed the proposed shift and allocations and recommended approval to the Board.

ORDER

The Board hereby:

- a) Authorizes staff to shift the remaining balance (approximately \$2,069,612) from the fiscal year 2020 accelerated implementation to the fiscal year 2024 Clean Water Fund Projects and Practices Competitive Grant Program (#2 above).
- b) Approves the allocation of funds to each applicant in the amounts listed in the attached allocation tables.
- c) Authorizes staff to approve work plans and enter into grant agreements for these funds consistent with the appropriations and the RFP.
- d) Authorizes staff to fully or partially fund additional applications in rank order, and may separately or in combination:
 - i. reallocate funds returned from previous years' Clean Water Fund Competitive grant programs,
 - ii. reallocate funds that become available if funded projects are withdrawn or do not receive

work plan approval by March 20, 2024 unless extended for cause, or iii. reallocate funds that are modified due to a reduction in the state funding needed to accomplish the project.

- e) Establishes that the grants awarded pursuant to this order will conform to FY 2024 Clean Water Fund Competitive Grant Policy.

Dated at St. Paul, Minnesota, this December 14, 2023.

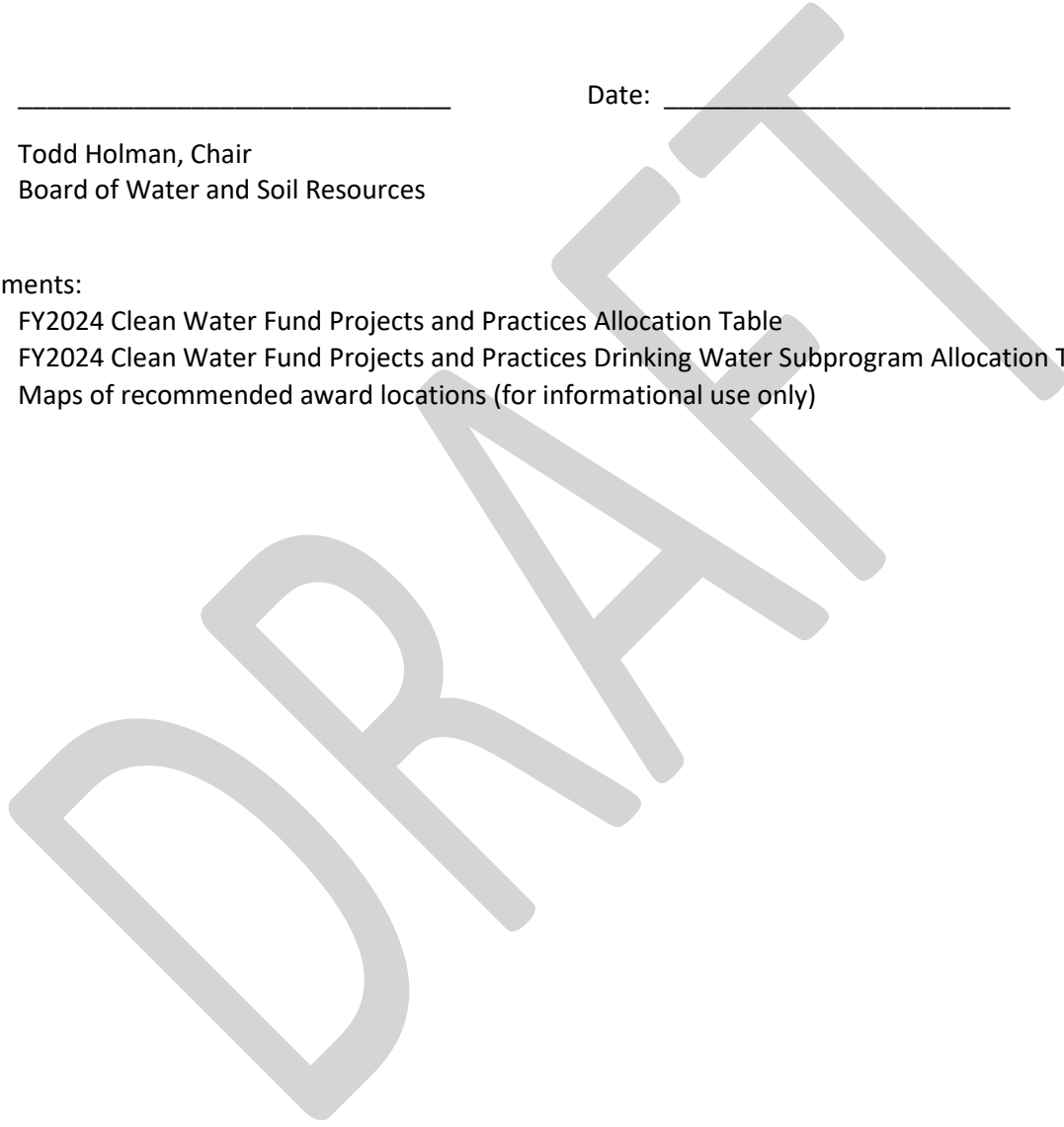
MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Date: _____

Todd Holman, Chair
Board of Water and Soil Resources

Attachments:

- FY2024 Clean Water Fund Projects and Practices Allocation Table
- FY2024 Clean Water Fund Projects and Practices Drinking Water Subprogram Allocation Table
- Maps of recommended award locations (for informational use only)



FY2024 Clean Water Fund Projects and Practices Allocation Table

#	Grant ID	Title of Proposal	Grantee	Total (\$)
1	C24-0014	Centerville Lake Internal Phosphorus Load Reduction Project	Rice Creek WD	\$ 954,500
2	C24-0034	Woodland Ave/ Hartley Park Green Infrastructure benefitting Tischer Creek	St. Louis County	\$ 500,000
3	C24-0027	Sunrise Chain of Lakes Shoreland Stabilization – Phase 2	Anoka CD	\$ 107,000
4	C24-0045	Interstate Valley Creek Streambank Stabilization and Stormwater BMP Project	Dakota SWCD	\$ 585,000
5	C24-0065	Mustinka River Rehabilitation - Phase 2b	Bois de Sioux WD	\$ 1,000,000
6	C24-0010	FY24 CWF Alimagnet Lake Alum Treatment Project	Vermillion River Watershed JPO	\$ 287,000
7	C24-0053	South Branch Buffalo River Watershed Restoration – Phase 2	Buffalo-Red River WD	\$ 450,000
8	C24-0020	Lower Coon Creek Corridor Restoration	Coon Creek WD	\$ 445,000
9	C24-0003	2024 Lower Clearwater Planning Region Water Quality Improvement Projects	Red Lake SWCD	\$ 270,810
10	C24-0081	Big Carnelian Lake Stormwater Quality Improvements Phase II	Carnelian-Marine-St. Croix WD	\$ 216,000
11	C24-0002	July Avenue Feedlot	Comfort Lake-Forest Lake WD	\$ 90,000
12	C24-0018	2023 Lower Otter Tail River Gully Stabilization Project	Wilkin SWCD	\$ 195,000
13	C24-0075	South Oak Pond Water Quality Improvement Project	St Louis Park, City of	\$ 350,000
14	C24-0047	Seminary Fen Ravine C-2 Restoration	Chaska, City of	\$ 615,000
15	C24-0058	Lower Otter Tail River Restoration – Head-Cut Stabilization	Buffalo-Red River WD	\$ 400,000
16	C24-0067	Whetstone River Restoration	Upper Minnesota River WD	\$ 600,000
17	C24-0030	Lake Lizzie Phosphorous & Sediment Reduction Project	Otter Tail, West SWCD	\$ 124,000
18	C24-0064	2024 GCW TMDL Implementation	Chisago SWCD	\$ 250,000
19	C24-0078	Valley Creek Mainstem Restoration Project	Valley Branch WD	\$ 462,000

20	C24-0033	City of Baudette Stormwater BMPs	Lake of the Woods SWCD	\$ 150,000
21	C24-0061	Goose Lake Water Quality Improvement Project	Valley Branch WD	\$ 150,000
22	C24-0046	Water Storage and Water Quality for CD 59 and Beaver Creek	Renville SWCD	\$ 773,133
23	C24-0060	FY24 CWF Keller Lake Targeted Stormwater Treatment Project	Apple Valley, City of	\$ 313,169

Total **\$ 9,287,612**

DRAFT

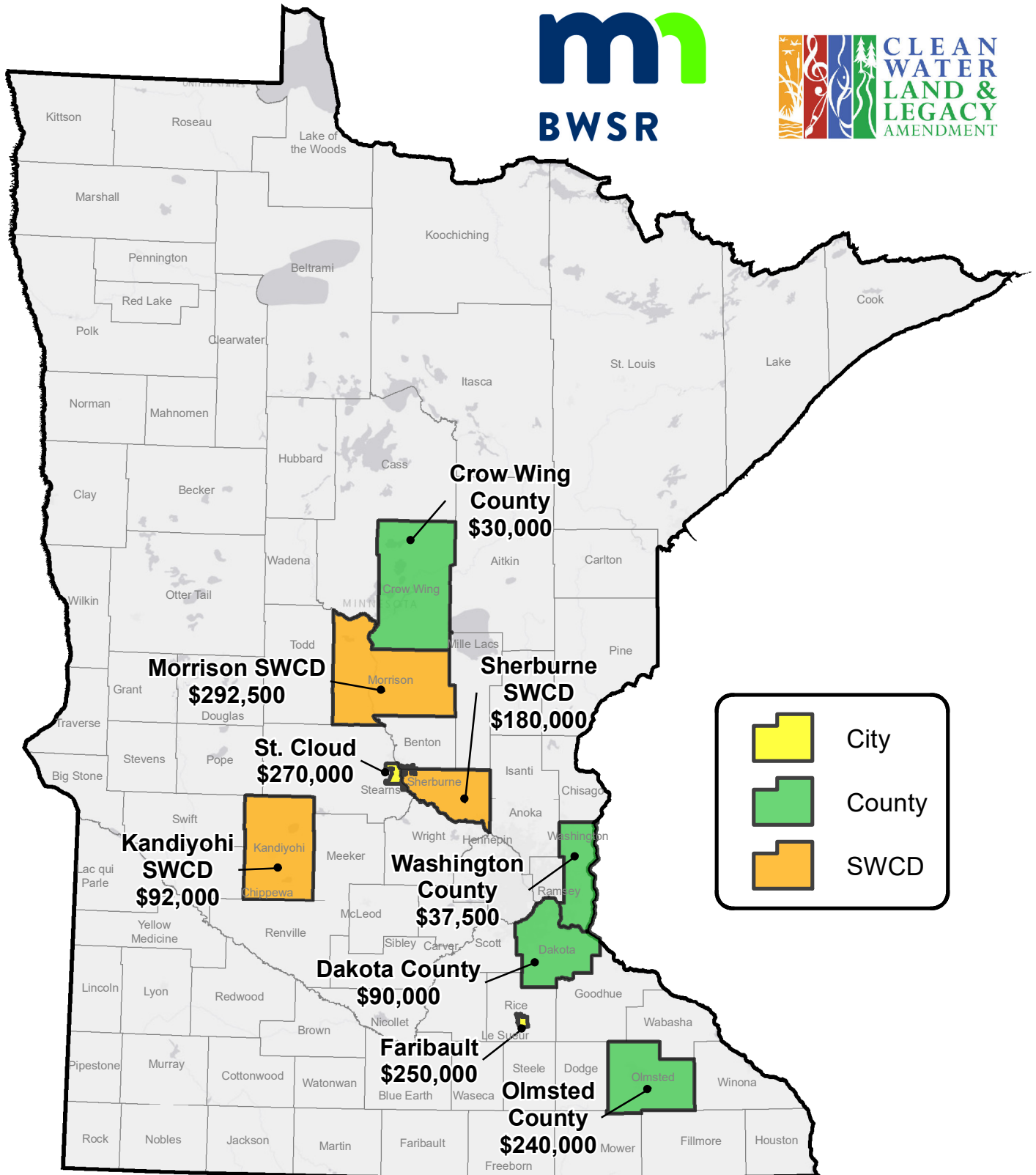
FY2024 Clean Water Fund Project and Practices Drinking Water Subprogram Allocation Table

#	Grant ID	Title of Proposal	Grantee	Total (\$)
1	C24-0043	Street Sweeping St. Cloud for Clean Drinking Water	St. Cloud, City of	\$ 270,000
2	C24-0069	FY 2023 CWF Projects & Practices Drinking Water Quality Application	Faribault, City of	\$ 250,000
3	C24-0011	2024 Dakota County Well Seal Program	Dakota County	\$ 90,000
4	C24-0035	Oronoco Private Well Sealing Round 2	Olmsted County	\$ 240,000
5	C24-0077	Vulnerable Non-Community Public Water Supply Protection In Mississippi Outwash Plains Using Cover Crops Phase 2	Morrison SWCD	\$ 292,500
6	C24-0063	Nitrate and Water Use Reduction in Targeted Sherburne County DWSMAs and Townships	Sherburne SWCD	\$ 180,000
7	C24-0006	Well Sealing	Washington County	\$ 37,500
8	C24-0059	Crow Wing County Well Sealing and Groundwater Protection	Crow Wing County	\$ 30,000
9	C24-0019	Kandiyohi Groundwater and Drinking Water Resource Protection through Education and Well Sealing in High Priority Areas	Kandiyohi SWCD	\$ 92,000
			TOTAL	\$ 1,482,000

FY 2024 Clean Water Fund

Projects and Practices - Drinking Water

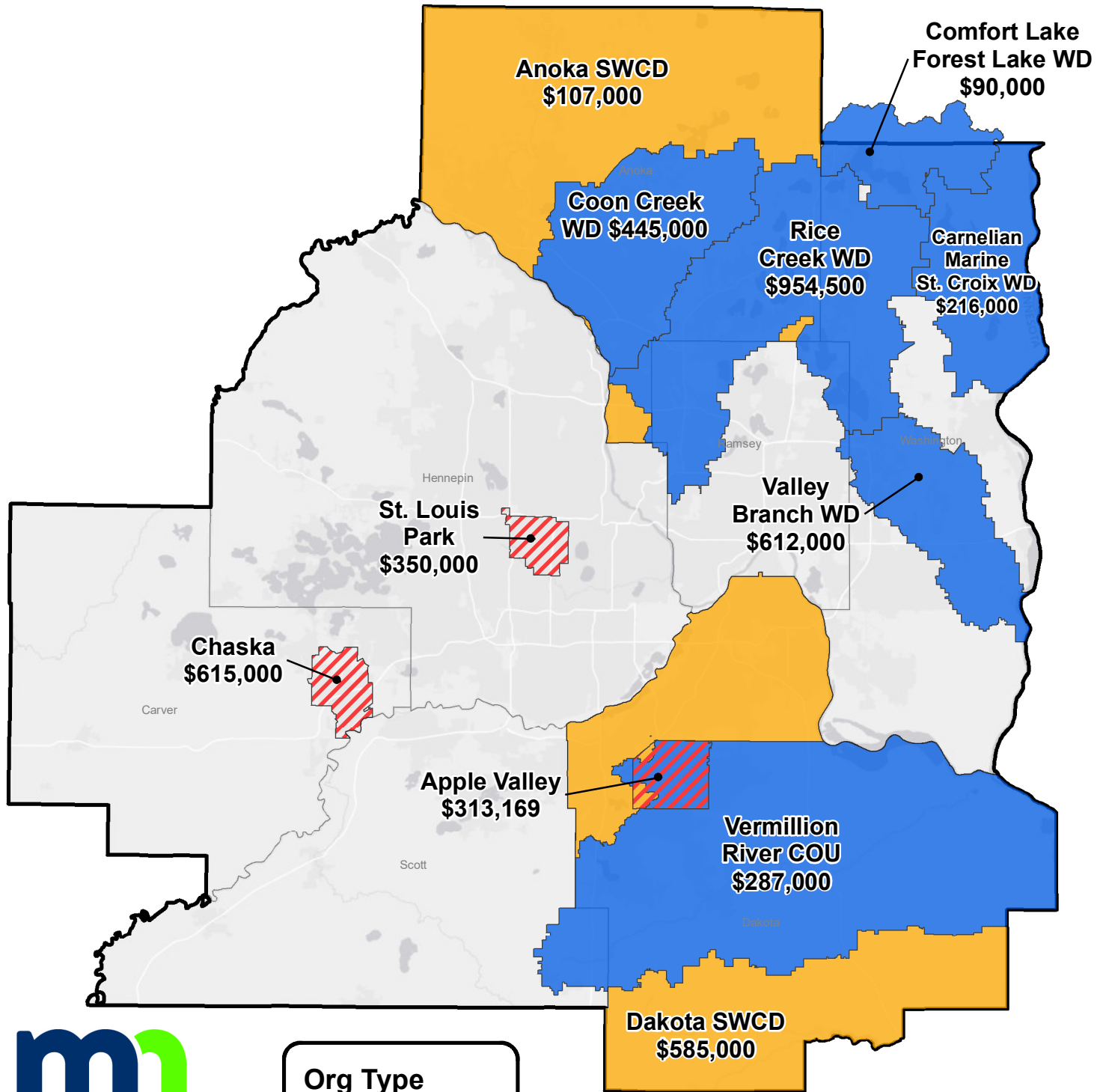
Total Recommended Funding: \$1,482,000



	City
	County
	SWCD

FY 2024 Clean Water Fund




Projects and Practices Recommended Funding
Total Outstate Recommended Funding: \$4,712,943
Total Metro Recommended Funding: \$4,574,669



BWSR

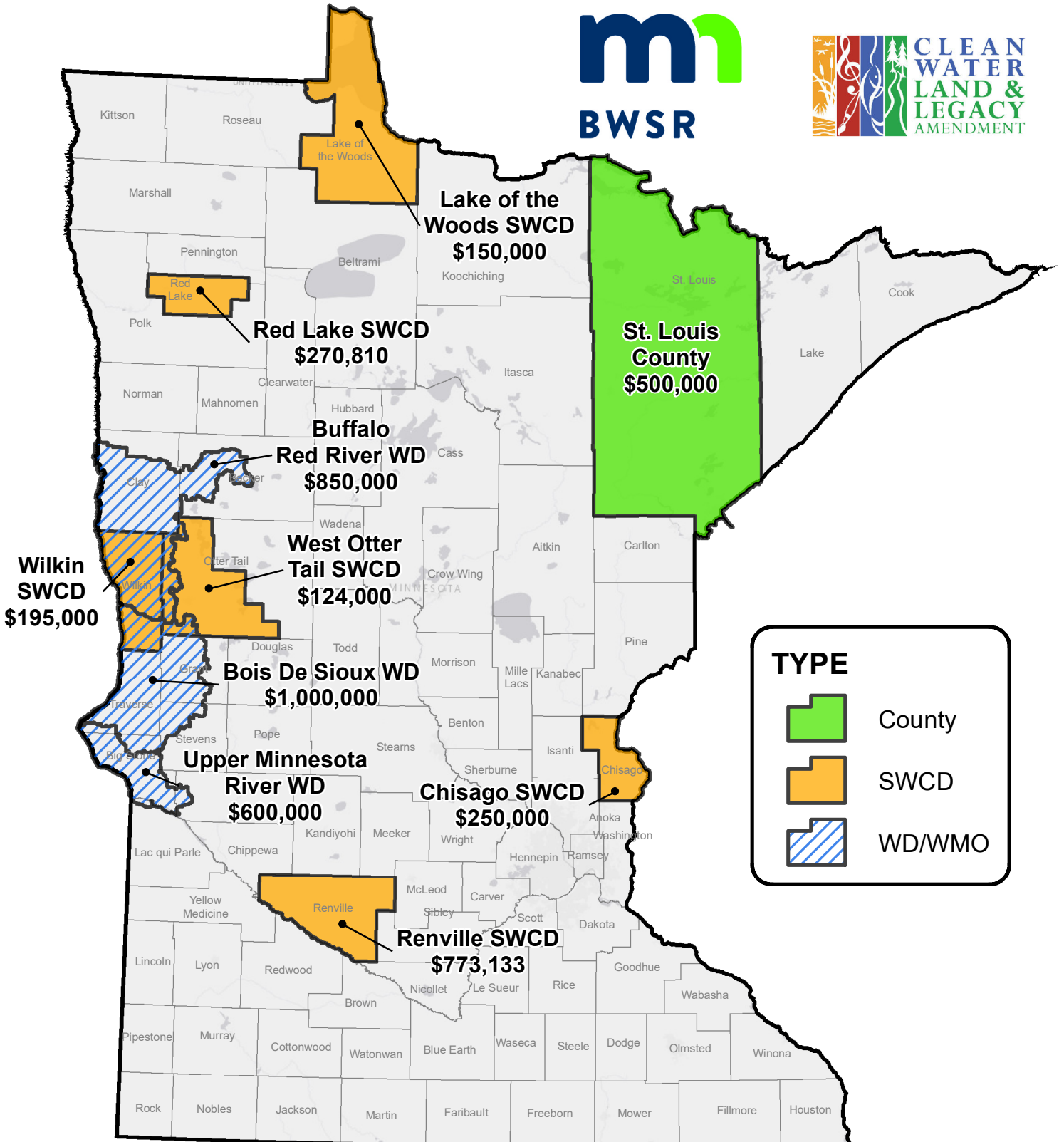


Org Type

-  City
-  SWCD
-  WD/WMO

FY 2024 Clean Water Fund

Projects and Practices Recommended Funding
Total Outstate Recommended Funding: \$4,712,943
Total Metro Recommended Funding: \$4,574,669



TYPE

- County
- SWCD
- WD/WMO

COMMITTEE RECOMMENDATIONS

Water Management and Strategic Planning Committee

1. Nonpoint Priority Funding Plan Revision – Julie Westerlund – ***DECISION ITEM***

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:	Nonpoint Priority Funding Plan Revision		
Meeting Date:	<u>December 14, 2023</u>		
Agenda Category:	<input checked="" type="checkbox"/> Committee Recommendation	<input type="checkbox"/> New Business	<input type="checkbox"/> Old Business
Item Type:	<input checked="" type="checkbox"/> Decision	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Keywords for Electronic Searchability:	<u>Nonpoint Priority Funding Plan, NPFP, Clean Water Fund, Board Order 21-60</u>		
Section/Region:	<u>Central Region, Land and Water</u>		
Contact:	<u>Julie Westerlund and Annie Felix-Gerth</u>		
Prepared by:	<u>Julie Westerlund</u>		
Reviewed by:	<u>Water Management and Strategic Planning</u>		Committee(s)
Presented by:	<u>Julie Westerlund</u>		
Time requested:	<u>15 minutes</u>		

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

Rescind portions of Board Order 21-60 and direct staff to revise the Nonpoint Priority Funding Plan (NPFP).

LINKS TO ADDITIONAL INFORMATION

- [2018 Nonpoint Priority Funding Plan](#)
- [2016 Nonpoint Priority Funding Plan](#)
- [2014 Nonpoint Priority Funding Plan](#)

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

BWSR adopted the first version of the Nonpoint Priority Funding Plan (NPFP) in 2014. Subsequent updates did not change the fundamental elements – which laid out a vision for the transformation to watershed-based planning and funding. That vision has largely been realized over the past decade. Legislation in 2019 allowed BWSR to establish alternative timelines or content for the NPFP in consideration of the watershed transition (locally driven and state supported planning and non-competitive funding for plan implementation) and connections to the Clean Water Council’s strategic plan. This order incorporates elements of a previous board order (21-60), allowing for additional time to complete the NPFP revision.



BOARD ORDER

Revision of the Nonpoint Priority Funding Plan (NPPF)

PURPOSE

Rescinds portions of Board Order 21-60 and directs staff to revise the Nonpoint Priority Funding Plan (NPPF).

RECITALS /FINDINGS OF FACT

- A. In 2013, the Clean Water Accountability Act was passed in the Minnesota Legislature and resulted in the addition of the nonpoint priority funding plan as defined in Minnesota Statute §114D.50 Subd. 3a.
- B. Minnesota Statute 114D.50 Subd 3a states that *“Beginning July 1, 2014, and every other year thereafter, the Board of Water and Soil Resources (BWSR) shall prepare and post on its website a priority funding plan to prioritize potential nonpoint restoration and protection actions based on available WRAPs, TMDLs, and local water plans. The plan must take into account the following factors: water quality outcomes, cost-effectiveness, landowner financial need, and leverage of nonstate funding sources. The plan shall include an estimated range of costs for the prioritized actions.”*
- C. Minnesota Statute 114D.20 states, *“...state agencies allocating money from the clean water fund for nonpoint restoration and protection strategies shall target the money according to the priorities identified in the nonpoint priority funding plan.”* (Laws of Minnesota 2013, Chapter 137, Article 2, Section 14)
- D. The Board adopted the NPPF in 2014, which consisted of the items in the attached summary plus supporting context. The summary items have remained consistent through all versions of the NPPF, which was last updated in 2018.
- E. For the 2014, 2016, and 2018 NPPF reports, BWSR relied on the Biennial Budget Request (BBR) submitted by local governments to estimate costs for needed statewide nonpoint implementation work.
- F. In 2019, the Minnesota Legislature passed a package of statutory policy changes in Minnesota Statutes Chapters 103B and 114D. These changes took effect on August 1, 2019 and are referred to as *“coordinated watershed management.”*
- G. Included in these changes was the addition of Minnesota Statute 114D.47 Nonpoint Funding Alternative. This new language states, *“Notwithstanding section 114D.50, subdivision 3a, the Board of Water and Soil Resources may, by board order, establish alternative timelines or content for the priority funding plan for nonpoint sources under section 114D.50, subdivision 3a, and may use information from comprehensive watershed management plans or comprehensive local water management plans to estimate or summarize costs.”*
- H. The Board passed Board Order 20-27 in June 2020, which extended the date for revising the NPPF to December 31, 2021 and authorized staff to develop a framework to evaluate the need to establish alternative content.

- I. As authorized, staff developed a framework consisting of a) the “coordinated watershed management” approach and other changes to MN Statutes Chapters 103B and 114D, b) linking to local comprehensive watershed management plans via the One Watershed, One Plan program which are locally driven and state supported, c) the ongoing transition from the traditional Clean Water Fund competitive grants to noncompetitive watershed-based implementation funding approach, and d) the connection to the Clean Water Council’s 2020 Strategic Plan.
- J. In December 2021, the Board approved Board Order 21-60, authorizing staff to “revise the NPPF with alternative content based on the framework” set forth in paragraph I.
- K. The Water Management and Strategic Planning Committee met on November 13, 2023 and directed staff to revise the NPPF with a status report to the Board by the June 2024 BWSR board meeting.

ORDER

The Board hereby:

- 1. Rescinds item #2 and #3 of Board Order 21-60
- 2. Direct staff to revise the NPPF consistent with Minnesota Statutes 114D.47

Dated at St. Paul, Minnesota, this December 14, 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD ORDER

Revision of the Nonpoint Priority Funding Plan (NPFP)

PURPOSE

Adjust timeline and authorize process for revising the Nonpoint Priority Funding Plan and establish alternative content.

RECITALS /FINDINGS OF FACT

1. In 2013, the Clean Water Accountability Act was passed in the Minnesota Legislature and resulted in the addition of the nonpoint priority funding plan as defined in Minnesota Statute §114D.50 Subd. 3a.
2. Minnesota Statute 114D.50 Subd 3a states that *“Beginning July 1, 2014, and every other year thereafter, the Board of Water and Soil Resources (BWSR) shall prepare and post on its website a priority funding plan to prioritize potential nonpoint restoration and protection actions based on available WRAPs, TMDLs, and local water plans. The plan must take into account the following factors: water quality outcomes, cost-effectiveness, landowner financial need, and leverage of nonstate funding sources. The plan shall include an estimated range of costs for the prioritized actions.”*
3. Minnesota Statute 114D.20 states, *“...state agencies allocating money from the clean water fund for nonpoint restoration and protection strategies shall target the money according to the priorities identified in the nonpoint priority funding plan.”* (Laws of Minnesota 2013, Chapter 137, Article 2, Section 14)
4. The latest update of the NPFP occurred in 2018.
5. For the 2014, 2016, and 2018 NPFP reports, BWSR relied on the Biennial Budget Request (BBR) submitted by local governments to estimate costs for needed statewide nonpoint implementation work.
6. In 2019, the Minnesota Legislature passed a package of statutory policy changes in Minnesota Statutes Chapters 103B and 114D. These changes took effect on August 1, 2019 and are referred to as *“coordinated watershed management.”*
7. Effective August 1, 2019 was the addition of Minnesota Statute 114D.47 Nonpoint Funding Alternative. This new language states, *“Notwithstanding section 114D.50, subdivision 3a, the Board of Water and Soil Resources may, by board order, establish alternative timelines or content for the priority funding plan for nonpoint sources under section 114D.50, subdivision 3a, and may use information from comprehensive watershed management plans or comprehensive local water management plans to estimate or summarize costs.”*
8. The Board passed Board Order 20-27 in June 2020, which extended the date for revising the NPFP to December 31, 2021 and authorized staff to develop a framework to evaluate the need to establish alternative content.

9. Staff developed a framework to evaluate the NFPF and recommend a framework based on: a) the “coordinated watershed management” approach and other changes to MN Statutes Chapters 103B and 114D, b) linking to local comprehensive watershed management plans via the One Watershed, One Plan program which are locally driven and state supported, c) the ongoing transition from the traditional Clean Water Fund competitive grants to noncompetitive watershed-based implementation funding approach, and d) the connection to the Clean Water Council’s 2020 Strategic Plan.

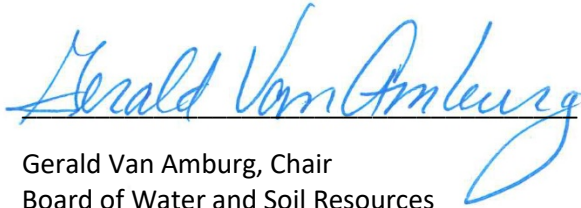
ORDER

The Board hereby:

1. Rescinds Item #1 of Board Order #20-27 (Board Order #20-27 attached).
2. Authorizes staff to revise the NFPF with alternative content based on a) the “coordinated watershed management” approach and other changes to MN Statutes Chapters 103B and 114D, b) linking to local watershed management plans which are locally driven and state supported, c) the ongoing transition from the traditional Clean Water Fund competitive grants to noncompetitive watershed-based implementation funding approach, and d) the connection to the Clean Water Council’s 2020 Strategic Plan and input from agencies and stakeholders.
3. Sets the completion date for revising the NFPF to December 31, 2023.

Dated at St. Paul, Minnesota, this December 16, 2021.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES


Gerald Van Amburg, Chair
Board of Water and Soil Resources

Date: December 16, 2021

COMMITTEE RECOMMENDATIONS

Northern Region Committee

1. Mississippi River – Brainerd Comprehensive Watershed Management Plan – Todd Holman, Steve Barrows, Ryan Hughes, and Darren Mayers – ***DECISION ITEM***

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:	<u>Mississippi River – Brainerd Comprehensive Watershed Management Plan</u>		
Meeting Date:	<u>December 14, 2023</u>		
Agenda Category:	<input checked="" type="checkbox"/> Committee Recommendation	<input type="checkbox"/> New Business	<input type="checkbox"/> Old Business
Item Type:	<input checked="" type="checkbox"/> Decision	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Keywords for Electronic Searchability:	<u>Mississippi River – Brainerd Comprehensive Watershed Management Plan</u>		
Section/Region:	<u>Regional Operations/Northern Region</u>		
Contact:	<u>Ryan Hughes</u>		
Prepared by:	<u>Darren Mayers</u>		
Reviewed by:	<u>Northern Region</u>	<u>Committee(s)</u>	
Presented by:	<u>Todd Holman, Steve Barrows, Ryan Hughes, or Darren Mayers</u>		
Time requested:	<u>5 minutes</u>		

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

Approval of the Mississippi River - Brainerd Comprehensive Watershed Management Plan as recommended by the Northern Regional Committee.

LINKS TO ADDITIONAL INFORMATION

<https://www.crowwing.gov/1476/One-Watershed-One-Plan-1W1P>

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The Mississippi River – Brainerd Watershed (MRBW) is in central Minnesota and spans 1,687 square miles which contains 2,100 miles of river and over 300 lakes. This watershed is rich with natural resources from the Mississippi River and the land cover transitions from forests to agriculture over four counties: Aitkin, Crow Wing, Morrison, and Todd. The planning group received a grant through the One Watershed, One Plan program in 2021 to begin the process of developing a comprehensive watershed management plan. On September 29, 2023, BWSR received

the final Plan, a recording of the required public hearing, and copies of all written comments pertaining to the Plan for final State review. The planning partnership has responded to all comments received during the 60-day review period and incorporated appropriate revisions to the final Plan.

BWSR staff completed its review and subsequently found the Plan meets the requirements of Minnesota Statutes and BWSR Policy.

On November 1, 2023, the Northern Regional Committee met to review and discuss the Plan. The Committee's decision was to recommend approval of the Mississippi River - Brainerd Watershed Comprehensive Watershed Management Plan as submitted to the full Board per the attached draft Order.

Minnesota Board of Water and Soil Resources
520 Lafayette Road North
St. Paul, Minnesota 55155

In the Matter of the review of the Comprehensive Watershed Management Plan for the Mississippi River-Brainerd Watershed, pursuant to Minnesota Statutes, Sections 103B.101, Subdivision 14 and 103B.801.

**ORDER
APPROVING
COMPREHENSIVE
WATERSHED
MANAGEMENT PLAN**

Whereas the Policy Committee of the Mississippi River-Brainerd Watershed Partnership submitted a Comprehensive Watershed Management Plan (Plan) to the Minnesota Board of Water and Soil Resources (Board) on October 24, 2023 pursuant to Minnesota Statutes, Sections 103B.101, Subdivision 14 and 103B.801 and Board Decision #21-08, and;

Whereas the Board has completed its review of the Plan.

Now Therefore the Board hereby makes the following Findings of Fact, Conclusions, and Order:

FINDINGS OF FACT

- Partnership Establishment.** The Mississippi River-Brainerd Watershed Partnership was established on March 2, 2022, through adoption of a Memorandum of Agreement for the purposes of developing a Comprehensive Watershed Management Plan. The membership of the Partnership includes Aitkin County, Aitkin Soil and Water Conservation District (SWCD), Crow Wing County, Crow Wing SWCD, Morrison County, Morrison SWCD, Todd County, and the Todd SWCD.
- Authority to Plan.** Minnesota Statutes, Sections 103B.101, Subdivision 14 allows the Board to adopt resolutions, policies or orders that allow a comprehensive plan, local water management plan, or watershed management plan, developed or amended, approved and adopted, according to Chapter 103B, 103C, or 103D to serve as substitutes for one another or be replaced with a comprehensive watershed management plan. Minnesota Statutes, Sections 103B.801 established the Comprehensive Watershed Management Planning Program; also known as One Watershed, One Plan and Board Decision #21-08 adopted the One Watershed, One Plan Operating Procedures Version 2.1 and Board Decision #19-41 adopting the One Watershed, One Plan Content Requirements Version 2.1 policies.
- Nature of the Watershed.** The Mississippi River – Brainerd Watershed (MRBW) is in central Minnesota and spans 1,687 square miles which contains 2,100 miles of river and over 300 lakes. This watershed is rich with natural resources from the Mississippi River, its many lakes, and northern forests. From north to south, the watershed land cover transitions from forests to agriculture. The watershed extends over four counties: Aitkin, Crow Wing, Morrison, and Todd. Major towns include Aitkin, Crosby, Brainerd, Baxter, and Little Falls, along with many other smaller communities such as Deerwood and Randall. Historically the Mille Lacs Band of Ojibwe established themselves in north and central Minnesota, including the MRBW. Between 1837 and 1867 a series of treaties were signed by Ojibwe bands in Minnesota ceding vast tribal territories to the United States, but reserved the right to hunt, fish, and gather on the ceded lands.
- Plan Development.** The Plan was developed as a single, concise, coordinated approach to watershed management. The Plan consolidates policies, programs, and implementation strategies from existing data, studies, and plans, and incorporates input from multiple planning partners and stakeholders to provide a single

plan for management of the watershed. The Plan focuses on prioritized, targeted, and measurable implementation efforts and lays out specific actions to protect and enhance forest cover, focus lakes and streams and groundwater; implement agricultural Best Management Practices; Protect or manage high vulnerable Drinking Water Supply Management Areas; reduce phosphorus loading in nearshore focus and watershed focus lakes; Develop a comprehensive Stormwater information data set for cities that have drainage to a priority lobe or stream; enhance shoreline or stream banks around focus lake and streams; and build resiliency by adding water storage thru cover crops and stormwater management.

5. **Plan Review.** On October 24, 2023, the Board received the Plan, a record of the public hearing, and copies of all written comments and responses pertaining to the Plan for final State review pursuant to Board Decision #21-08. State agency representatives attended and provided input at advisory committee meetings during development of the Plan. The following state review comments were received during the comment period.
- A. Minnesota Department of Agriculture (MDA): Minnesota MDA confirmed receipt of the final Plan but due to staff limitations did not participate in the plan development process nor have they reviewed the final Plan so they have no comments.
 - B. Minnesota Department of Health (MDH): The plan is written in a manner that incorporates MDH's priority concerns pertaining to groundwater and drinking water sufficiently, while reflecting the priorities of residents of the watershed and the capacities of the local entities that will implement the plan. MDH confirmed receipt of the final Plan and recommended approval of the Plan.
 - C. Minnesota Department of Natural Resources (DNR): The Minnesota DNR has received the final revised Mississippi-Brainerd Comprehensive Watershed Management Plan and reviewed responses to comments submitted under the 60-day review of the draft Plan. The DNR is satisfied with the responses to issues raised during our review, has no additional comments, and recommends that BWSR approve the final Plan.
 - D. Minnesota Pollution Control Agency (MPCA): All the MPCA comments during the planning process have been incorporated. Information from the MPCA's water quality database and reports have been utilized in the Plan development and the priorities outlined during the scoping letter have been included in the draft Plan. As a result, the MPCA does not have any additional comments and has no concerns with approving the final Plan.
 - E. Minnesota Environmental Quality Board (EQB): Policy requires that EQB be notified of the final draft document. EQB confirmed receipt of the final Plan and did not provide comments.
 - F. Board of Water and Soil Resources Regional Staff: BWSR received the final Plan and commends the Mississippi River-Brainerd Watershed Policy Committee on a well written and concise comprehensive watershed management plan.
6. **Plan Summary and Highlights.** The highlights of the Plan include:
- The Policy and Advisory Committees sought extensive community engagement during the early stages of the planning process including public input from two public kick-off meetings, three topic group meetings (agriculture, forestry and lakes) and two community engagement meetings. The comments were used during plan development to inform issues, goals and actions and provided an opportunity for public input on the implementation actions.
 - The Advisory Committee identified 19 original resource concerns, which were narrowed down to seven with the direction of the Policy Committee including:
 - 1. Surface Water Quality
 - 2. Land Cover and Use
 - 3. Surface Water Quantity
 - 4. Drinking Water and Groundwater

5. Erosion, Soil Health and Soil Loss
 6. Habitat
 7. Extreme Weather
- The Partnership developed a framework for each priority issue that includes a resource description, the issue statement, a desired future condition, measurable goals, priority areas, and actions to address the goal.
 - For ease of future action of issues, separate targeted implementation tables and maps were created for each priority issue. The tables detail a unique action ID number, the specific priority area for the action, the measurable outcome, who will lead and support the action, timing and estimated costs.
7. **Northern Regional Committee.** On November 1, 2023, the Northern Regional Committee met to review and discuss the Plan. Those in attendance from the Board’s Committee were Committee Chair Rich Sve, Neil Peterson, Todd Holman, LeRoy Ose, Kurt Beckstrom, Theresa Ebbenga, Jeff Berg, Teresa Haugen, and Ron Staples. Board staff in attendance were Northern Regional Manager Ryan Hughes, Board Conservationist Darren Mayers, and Clean Water Specialist Jeff Hrubes. The representatives from the Partnership were Bethany Chaplin and Melissa Barrick from Crow Wing SWCD. Board regional staff provided its recommendation of Plan approval to the Committee. After discussion, the Committee’s decision was to present a recommendation of approval of the Plan to the full Board.
8. This Plan will be in effect for a ten-year period until December 14, 2033.

CONCLUSIONS

1. All relevant substantive and procedural requirements of law have been fulfilled.
2. The Board has proper jurisdiction in the matter of approving a Comprehensive Watershed Management Plan for the Mississippi River-Brainerd Watershed pursuant to Minnesota Statutes, Sections 103B.101, Subd. 14 and 103B.801 and Board Decision #21-08.
3. The Mississippi River-Brainerd Comprehensive Watershed Management Plan attached to this Order states priority water and natural resource issues within the planning area and possible solutions thereto; goals, objectives, and actions of the Partnership; and an implementation program.
4. The attached Plan is in conformance with the requirements of Minnesota Statutes Section 103B.101, Subd. 14 and 103B.801 and Board Decision #21-08.
5. The attached plan when adopted through local resolution by the members of the Partnership will serve as a replacement for the comprehensive plan, local water management plan, or watershed management plan, developed or amended, approved and adopted, according to Chapter 103B, 103C, or 103D, but only to the geographic area of the Plan.

ORDER

The Board hereby approves the attached Comprehensive Watershed Management Plan of the Mississippi River-Brainerd Watershed Partnership, submitted October 24, 2023

Dated in Saint Paul, Minnesota, this fourteenth of December 2023

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Todd Holman, Chair

December 14, 2023

Mississippi River-Brainerd Watershed Planning Partnership
c/o Chris Pence, Crow Wing County
322 Laurel Street, Suite 15
Brainerd, MN 56401

RE: Approval of the Mississippi River-Brainerd Comprehensive Watershed Management Plan

Dear Mississippi River-Brainerd Planning Partnership:

The Minnesota Board of Water and Soil Resources (BWSR) is pleased to inform you the Mississippi River-Brainerd Comprehensive Watershed Management Plan (Plan) was approved at its regular meeting held on December 14, 2023. Attached is the signed Board Order that documents approval of the Plan and indicates the Plan meets all relevant requirements of law, rule, and policy.

This Plan is effective for a ten-year period until December 14, 2033. Please be advised, the partners must adopt and begin implementing the plan within 120 days of the date of the Order in accordance with Minnesota Statutes §103B.101, Subd. 14, and the One Watershed, One Plan Operating Procedures. Per the One Watershed, One Plan Operating Procedures please provide a copy of resolutions to adopt the Plan to your Board Conservationist to be eligible for grants.

The members of the partnership and participants in the plan development process are to be commended for writing a plan that clearly presents water management goals, actions, and priorities of the Partnership, and for participating in the One Watershed, One Plan program. The BWSR looks forward to working with you as you implement this Plan and document its outcomes.

Please contact Board Conservationist Darren Mayers of our staff at 218-290-8384 or darren.mayers@state.mn.us for further assistance in this matter.

Sincerely,

Todd Holman, Chair
Minnesota Board of Water and Soil Resources
Enclosure: BWSR Board Order

CC: Listed on next page.

CC: Chris Pence, Crow Wing County (via email)
Melissa Barrick, Crow Wing SWCD (via email)
Margaret Wagner, MDA (via email)
Casey Field, MDA (via email)
Carrie Raber, MDH (via email)
Chad Anderson, MDH (via email)
Jacob Frie, DNR (via email)
Darrell Schindler, DNR (via email)
Barbara Weisman, DNR (via email)
Bonnie Goshey, MPCA (via email)
Jeff Risberg, MPCA (via email)
Catherine Neushler, EQB (via email)
Ryan Hughes, BWSR (via email)
Darren Mayers, BWSR (via email)
Julie Westerlund, BWSR (via email)
Rachel Mueller, BWSR (file copy)



Mississippi Watershed BRAINERD

Comprehensive Watershed Management Plan





Acknowledgements

Project Partners



Steering Committee

- Janet Smude, Aitkin SWCD
- Melissa Barrick, Crow Wing SWCD
- Bethany Chaplin, Crow Wing SWCD
- Shannon Wettstein, Morrison SWCD
- Lance Chisholm, Morrison SWCD
- Deja Anton, Todd SWCD
- Jeff Hrubes, Board of Water and Soil Resources
- Darren Mayers, Board of Water and Soil Resources
- Tad Erickson, Region 5 Development Commission
- Moriya Rufer, Houston Engineering

Contributors

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- Mitch Brinks, Technical Service Area 8, *Mapping and Data Analysis*
- Dain Erickson, Technical Service Area 8, *Graphic Design*

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Acknowledgements

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Tom Brutscher, Morrison SWCD
Mark Wedel, Aitkin County
Wayne Anderson, Aitkin SWCD
Jim Chamberlin, Crow Wing SWCD
Steve Barrows, Crow Wing County

Technical Advisory Committee

Chad Weiss, Mille Lacs Band of Ojibwe
Perry Bunting, Mille Lacs Band of Ojibwe
Greg Kimman, City of Little Falls
Trevor Thompson, City of Baxter
Tim Terrill, Mississippi Headwaters Board
Brian Steffen, NRCS
Candi Fuller, NRCS
Bonnie Goshey, MPCA
Chad Anderson, MDH
Jake Frie, DNR
Jeff Weiss, DNR
Todd Holman, TNC
Dilan Christianson, Crow Wing County
Adam Maleski, Crow Wing SWCD
Mitch Lundeen, Crow Wing County Forester
Greg Friedrich, Bruce TWP
Rick Johnson, Todd BOA
Bruce Johnson, Burnhamville Township
Kaysie Maleski, Aitkin SWCD
Amy Kowalzek, Morrison County
Adam Ossefoort, Todd County
Shelly Larson, Hayland Woods Native Nursery

Citizen Advisory Committee

Tom Gustafson, Sebie Lake
Mike Stocken, Sebie Lake
Gary Hopping, Upper South Long Lake
Jennifer Cedarleaft, Lower South Long
Rick Pederson, Crow Wing Lake
Steve Brown, Long Lake
Rick Baum, Jr., beef farmer
Lee Daily, Big Swan Lake
Eugene Hallermann, beef farmer
Kathy Boeckmann, Lake Beauty
Rick Jones, Lake Beauty
Dr. Paul Van Gorp, sheep and beef farmer
Pat Murphy, Aitkin County Lakes & Rivers Assoc.
Bob Karls, Cedar Lake Conservancy, NWLT
Ed Kees, Pine-Cedar Lakes Association
Curt Plante, Ripley Township Board
David Smith, Serpent Lake
Tim Strack, Randall-Cushing Area Lions Club
Lorie Strack, local business owner
Camille Warzech, Little Falls
Paige Van Pelt



Acronyms

1W1P	One Watershed, One Plan
ACUB	Army Compatible Use Buffer
AIS	Aquatic Invasive Species
BMP	Best Management Practice
BPA	Bisphenol A
BWSR	Board of Water and Soil Resources
CAC	Citizen Advisory Committee
CEC	Contaminants of Emerging Concern
CLC	Central Lakes Center
CMIC	Central Minnesota Irrigators
CRP	Conservation Reserve Program
CSP	Conservation Stewardship Program
CWMP	Comprehensive Watershed Management Plan
DNR	Minnesota Department of Natural Resources
DO	Dissolved Oxygen
DWSMA	Drinking Water Supply Management Area
EQIP	Environmental Quality Incentives Program
FSA	Farm Service Agency
HEI	Houston Engineering, Inc.
HHW	Household Hazardous Waste
HSPF	Hydrologic Simulation Program – Fortran
HUC	Hydrologic Unit Code
LGU	Local Government Unit
LSP	Landscape Stewardship Plan
MAWQCP	Minnesota Agriculture Water Quality Certification Program
MHB	Mississippi Headwaters Board
MDA	Minnesota Department of Agriculture
MDH	Minnesota Department of Health
MGLP	Midwest Glacial Lakes Partnership
MnDOT	Minnesota Department of Transportation
MOA	Memorandum of Agreement
MPARS	Minnesota DNR Permitting and Regulatory System
MPCA	Minnesota Pollution Control Agency
MRBCWMP	Mississippi River – Brainerd Comprehensive Watershed Management Plan
MRBW	Mississippi River - Brainerd Watershed
MRWA	Minnesota Rural Water Association
MS4	Municipal Separate Storm Sewer System
MSDC	Minnesota State Demographic Center
NLCD	National Land Cover Dataset




NPDES	National Pollutant Discharge Elimination System
NRCS	Natural Resources Conservation Service
OHWM	Ordinary High Water Mark
PC	Policy Committee
PFAS	Perfluoroalkyl Substances
PFC	Perfluorochemicals
PFOA	Perfluorooctanoic Acid
PFOS	Perfluorooctanoic Sulfonic Acid
RAQ	Risk Adjacency Quality
RCPP	Regional Conservation Partnership Program
RIM	Reinvest in Minnesota
SAM	Scenario Application Manager
SCORE	Select Committee on Recycling and the Environment
SFIA	Sustainable Forest Incentive Act
SGCN	Species in Greatest Conservation Need
SSTS	Subsurface Sewage Treatment Systems
SWAG	Surface Water Assessment Grant
SWCD	Soil and Water Conservation District
TAC	Technical Advisory Committee
TMDL	Total Maximum Daily Load
TNC	The Nature Conservancy
TP	Total Phosphorus
TSA	Technical Service Area
TSS	Total Suspended Solids
UMN	University of Minnesota
USDA	United States Department of Agriculture
USEPA	United States Environmental Protection Agency
USFWS	United States Fish and Wildlife Service
USGS	United States Geological Survey
W:L	Watershed to Lake Ratio
WBIF	Watershed-Based Implementation Funding
WCA	Wetland Conservation Act
WCTSA	West Central Technical Service Area
WHAF	Watershed Health Assessment Framework
WMA	Wildlife Management Areas
WPLMN	Watershed Pollutant Load Monitoring Network
WRAPS	Watershed Restoration and Protection Strategy
WRP	Wetland Reserve Program





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Section 1

Executive Summary





Section 1. Executive Summary

The Mississippi River - Brainerd Watershed (MRBW) spans 1,687 square miles which contains 2,100 miles of river and over 300 lakes. This watershed is rich with natural resources from the Mississippi River, its many lakes, and northern forests. The protection of watershed natural resources is a priority for watershed planning and is apparent in the watershed vision statement.



The Mississippi River - Brainerd Comprehensive Watershed Management Plan (MRBCWMP) was developed in 2022-2023 through the Board of Water and Soil Resources (BWSR) MN Statutes §103B.801, commonly known as the One Watershed, One Plan (1W1P) program. This is an effort through BWSR to encourage statewide watershed planning to be done along watershed boundaries, rather than administrative and legal boundaries.

Throughout 2022 and 2023, the MRBCWMP was developed with a land and water resources narrative that describes the watershed, a list of priority issues that will be addressed through this plan, measurable goals, and implementation actions that will address the issues and make progress towards goals. The purpose of the plan is to guide the watershed managers (local counties and soil and water conservation districts) as they work to protect and restore the watershed's resources for the enjoyment of future generations and for maintaining a healthy local economy.

Planning Area

The watershed extends over four counties: Aitkin, Crow Wing, Morrison, and Todd (Figure 1.1). Major towns include Aitkin, Crosby, Brainerd, Baxter, and Little Falls, along with many other smaller communities such as Deerwood and Randall. From north to south, the watershed land cover transitions from forests to agriculture.

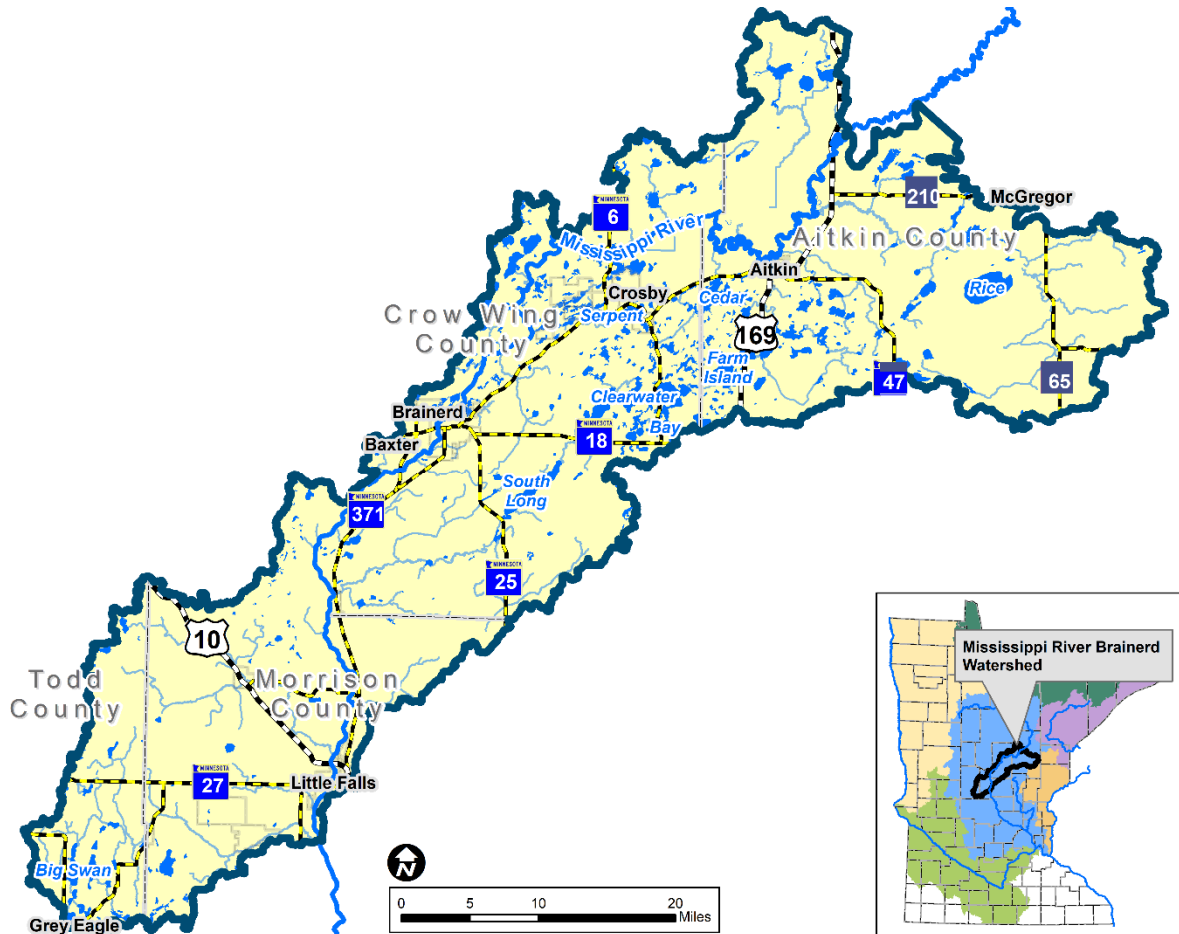


Figure 1.1 Management Zones in the MRBW (MPCA 2020).

Roles and Responsibilities

The MRBCWMP planning effort began with a Memorandum of Agreement (MOA) between Aitkin County, Aitkin Soil and Water Conservation District (SWCD), Crow Wing County, Crow Wing SWCD, Morrison County, Morrison SWCD, Todd County, and Todd SWCD. A representative from each governmental unit was appointed by each county and SWCD board to serve on the Policy Committee, which is the decision-making body for this plan.

The plan content was shaped by the Technical Advisory Committee (TAC), which consisted of the counties and SWCDs in the watershed, State Agencies, Federal Agencies, and other local stakeholders. The Non-Removable Mille Lacs Band of Ojibwe were invited to participate and have



been a valuable partner on the TAC. The Citizen Advisory Committee (CAC), made up of local stakeholders, including lake groups and agricultural producers, provided input on the plan priorities and content.

The Steering Committee guided the planning process, produced the plan content, and developed the details for implementation such as what will be tracked and by whom. The Steering Committee will be the primary implementors of the plan. The Advisory Committees are partners in plan implementation.

Community Engagement

Public Kickoff

Community input was sought at the beginning of the planning process. The MRBCWMP began with a public survey and kick-off meeting in June 2022 at the Environmental Classroom on the Camp Ripley military installation. The event had great attendance; 71 participants learned about the watershed, the planning effort, and provided input on their concerns to be addressed by the plan.

Figure 1.2 shows responses to the question “Name three priority concerns in your county that you think should be targeted or addressed by this plan”.

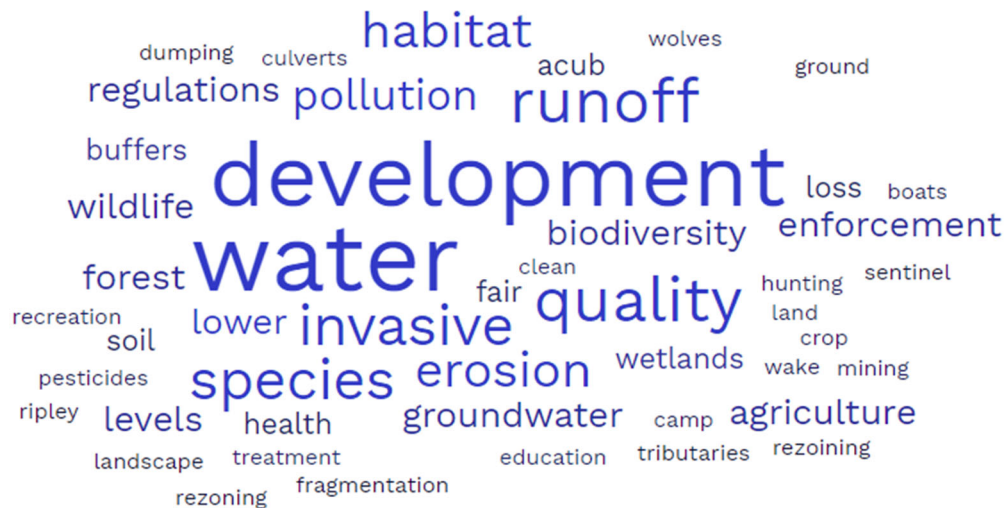


Figure 1.2. Word cloud from the public survey in June 2022.

To see the full results of the survey, see Appendix B.

Citizen Advisory Committee

The CAC met three times throughout the planning process to provide input to plan content (Figure 1.3). For a full report on their input, see Appendix C.

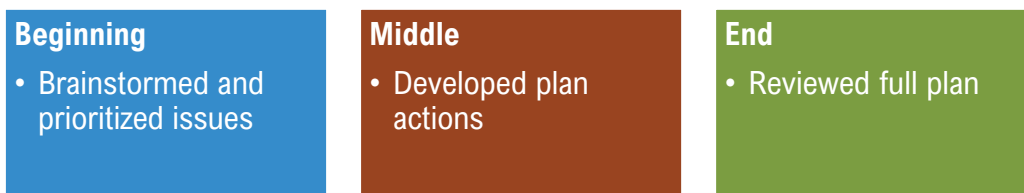













Figure 1.3. Citizen Advisory Committee input throughout the planning process.





Priority Issues

The public and CAC responses, along with issues discussed in watershed reports from Minnesota Pollution Control Agency (MPCA) and committee input, led to prioritization of issues facing the watershed that will be addressed through implementation of this plan.

Priority issues that will be the focus of implementation efforts in the 10-year plan are listed in Table 1.3. The main theme of the issue statement is shown in **bold** text. In Section 3, these issues were prioritized for further targeting of implementation.

Table 1.3. Issues table with resource concern.

Resource Concern	Issues Statement
 SURFACE WATER	Altered hydrology (channelized streams and ditch systems) increases peak flows and erosion and has led to biologically impaired streams.
 SURFACE WATER	Nutrients from lakeshore development, internal loading, and land use changes contribute to algal growth along with recreational and biological impairments.
 SURFACE WATER	Stormwater runoff contributes sediment, nutrients, and pollutants to water bodies.
 SURFACE WATER  HABITAT/FORESTRY	Sufficient protection is needed for outstanding resources and sensitive species to maintain water and habitat quality.
 GROUND WATER	Groundwater quality is vulnerable to contamination.
 HABITAT/FORESTRY	Riparian and in-lake alteration from development impacts water quality, lake health, and fish communities.
 HABITAT/FORESTRY	Forest fragmentation due to urban and agricultural land use changes impacts water quality, infiltration, and habitat.
 HABITAT/FORESTRY	Forest health is vulnerable to climate change, pests, and invasive species, which can affect species composition and forest productivity.
 LAND	Soil health is important for agricultural productivity, water quality, and climate change resilience.
 SURFACE WATER	Eroding streambanks contribute to turbidity impairments and reduced habitat quality.

Resource Concern	Issues Statement
 <p>SURFACE WATER LAND</p>	<p>Bacteria can cause aquatic recreation and aquatic life impairments.</p>
 <p>SURFACE WATER</p>	<p>Wetland restoration and protection is necessary to store water, provide habitat, and improve downstream water quality.</p>
 <p>GROUND WATER</p>	<p>Groundwater sustainability is vulnerable to overuse and loss of recharge.</p>
 <p>HABITAT/FORESTRY</p>	<p>Aquatic invasive species (AIS) decrease biodiversity and impact recreation.</p>

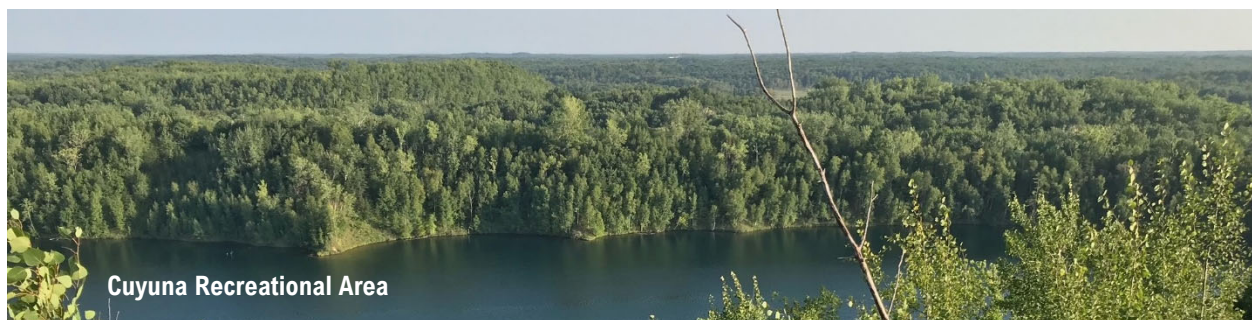


Measurable Goals

Seven measurable goals, listed in Table 1.4, were developed to set a quantifiable change in a resource condition expected by the end of the 10-year plan implementation. Section 5 includes focus area maps showing where efforts will be directed, and additional benefits that progress towards a given goal would make in other areas (water storage, carbon sequestration, protected habitat).

Table 1.4. Short term goals in MRBW.

Goal Name	Goal Description
Protection	Protect and enhance of forest cover, focus lakes and streams, and groundwater through adding 14,765 acres of conservation easements, Sustainable Forest Incentive Act (SFIA), and acquisitions in priority minor watersheds.
Agricultural Land Management	Implement 7,130 acres of agricultural best management practices (BMPs) including cover crops, nutrient management, pasture management, and conservation tillage.
Phosphorus Reduction	Reduce phosphorus loading in nearshore focus lakes by 5% and watershed focus lakes by 10 pounds/year .
Urban Stormwater Management	Develop a comprehensive stormwater information data set for 8 cities that have drainage to a priority lake or stream.
Drinking Water Protection	Protect or manage with BMPs 160 acres in high vulnerability Drinking Water Supply Management Areas (DWSMAs). Seal 10 unused wells per year.
Shoreland Restoration	Enhance 2 miles of shoreline or streambank around focus lakes and streams.
Water Retention	Build resiliency by adding 400 acre-ft of storage through cover crops and stormwater management.



Cuyuna Recreational Area

Implementation

The targeted implementation schedule (Section 6) includes tables for each of the seven goals, which includes actions to make progress towards goals, targeted resources, entities responsible for implementation, a timeline, and cost estimate. The estimated total funding available annually for implementation is \$1,300,000, plus any additional partner funding (Table 1.5). This includes current funding available in the watershed, plus watershed-based implementation funding from BWSR available upon approval of the MRBCWMP.

Table 1.5. Total estimated costs for implementing the MRBCWMP.

Funding Level	Description	Estimated Plan Total (10 years)	Estimated Annual Average
Level 1	Current Baseline Funding	\$6,664,000	\$666,400
Level 2	Baseline + Watershed-Based Funding	\$13,000,000	\$1,300,000
Level 3	Partner funding (i.e., TNC, CRP, NRCS, SFIA)	\$28,190,000	\$2,819,000
Total Level 2+3*		\$41,190,000	\$4,119,000

*Level 1 is not included in the overall total because Level 2 includes Level 1

Implementation actions will be carried out through four programs: Planned Landscape Management, Constructed Environmental Enhancements, Protected Lands Maintenance, and Data Collection and Outreach (Figure 1.4).

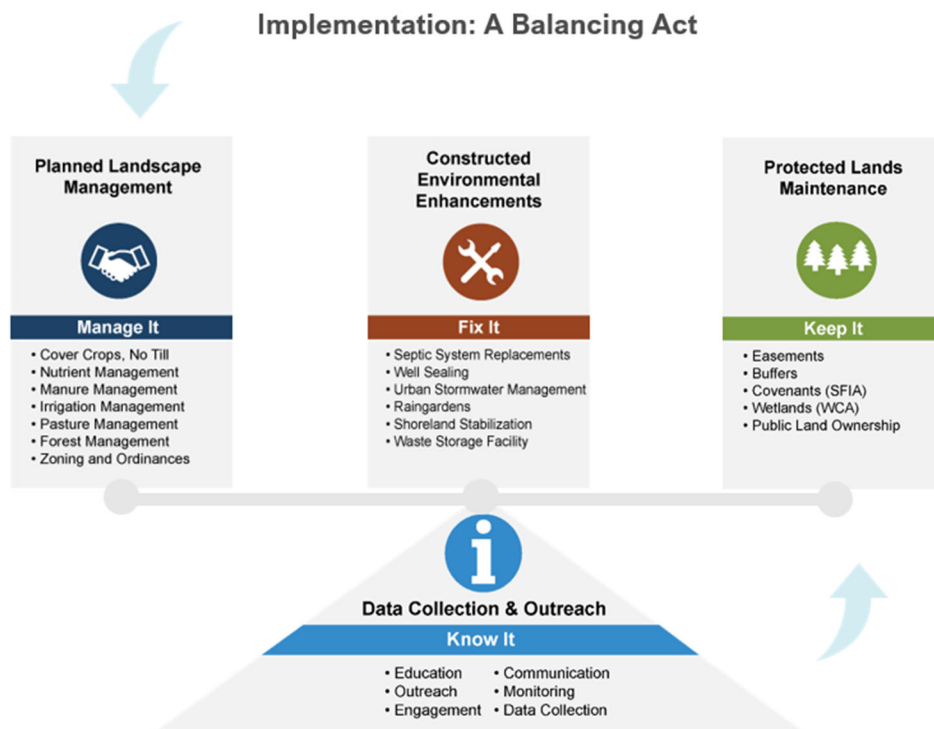









Figure 1.4. Implementation Programs in the MRBW.



Plan progress over the 10-year lifespan of the MRBCWMP will be tracked by the MRBW Partnership through tracking metrics and annual assessments. A five-year evaluation will take place to assess the plan's progress.

The overall benefits achieved through plan implementation are shown in Table 1.6. While making progress towards specific measurable goals, implementation is expected to result in surface water quality improvements, expanded habitat, and enhanced climate resiliency through water and carbon storage.

Table 1.6. Overall benefits from implementing this 10-year plan.

Surface Water Quality Benefits	Phosphorus: the pounds of phosphorus reduced by implementing all plan goals.	1,069 pounds/year; equivalent to:  535,000 pounds of algae
	Sediment: the tons of phosphorus reduced by implementing all plan goals.	159 tons/year; equivalent to:  16 dump trucks of sediment
	Nitrogen: the pounds of nitrogen reduced by implementing all plan goals.	9,029 lbs/year; equivalent to:  2,257 bags of nitrogen fertilizer
Habitat Benefits	Habitat: acres of forest protected by implementing all plan goals.	14,765 acres; equivalent to:  Area covered by 11,200 football fields.
	Habitat: length of shoreland and riparian land restored by implementing all plan goals.	2 miles; equivalent to:  The length of 30 football fields.
Climate Resiliency Benefits	Storage: the amount of new water storage on the landscape or in the soil by implementing all plan goals.	400 acre-feet; equivalent to:  400 football fields covered in 1 foot of water
	Carbon: the amount of carbon stored and sequestered by implementing plan goals.	386,000 tons; equivalent to:  Removing 285,700 gas vehicles driven for one year

Plan Administration and Coordination

Plan Administration describes how the plan will be implemented, how the watershed partners will work together, how the funding will move between them, and who will handle the administrative duties. The MRBCWMP will be implemented through a MOA between the local governments in Figure 1.5. The local government units (LGUs) in the MOA will be collectively referred to as the MRBW Partnership.



Figure 1.5. Members of the MRBW Partnership.

Implementation of the MRBCWMP is voluntary, and outreach and incentives will be used to assist with voluntary implementation on private lands. Collaboration with local groups continued throughout the planning process and will be critical to the success of the plan. Committees that convened for planning will continue into implementation in the same roles.



COMMITTEE RECOMMENDATIONS

Wetland Conservation Committee

1. LGRWRP Easement Acquisition Payment Rate – Less Lemm and Dennis Rodacker – ***DECISION ITEM***

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: LGRWRP Easement Acquisition Payment Rate

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Keywords for Electronic Searchability: LGRWRP Easement Acquisition Payment Rate

Section/Region: Wetlands

Contact: Les Lemm

Prepared by: Dennis Rodacker

Reviewed by: Wetland Conservation Committee Committee(s)

Presented by: Les Lemm and Dennis Rodacker

Time requested: 20 Minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|--|---|
| <input type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input checked="" type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input checked="" type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |
| <u>LGRWRP Bonding Appropriations</u> | |

ACTION REQUESTED

Amend the “Wetland Credit Acquisition Plan - Local Government Roads Wetland Replacement Program” to increase the easement acquisition payment rate from the current rate (125% of the Reinvest in Minnesota program rate) to 150% of the Reinvest in Minnesota program rate.

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The Board adopted the “Wetland Credit Acquisition Plan - Local Government Roads Wetland Replacement Program” (Plan) on March 27, 2019, through Board Order 19-18 as an overall framework for acquiring wetland credits as funds are appropriated for the Local Government Roads Wetland Replacement Program (LGRWRP). Due to recent increases in farmland values, the long-term risks and responsibilities associated with wetland bank sites, and the existence of other more financially attractive alternatives, it has become increasingly challenging to

attract and retain quality wetland restoration projects sufficient to meet BWSR's statutory obligation to provide wetland replacement credits for qualifying local government road projects. The 2019 plan sets the easement sign-up payment rate at 125% of the Reinvest in Minnesota (RIM) program per-acre payment rate. Staff are proposing to increase the program's easement payment rate to 150% of the RIM per-acre payment rates to remain competitive in attracting high quality wetland restoration projects.

BOARD ORDER

Amending the Wetland Credit Acquisition Plan Local Government Roads Wetland Replacement Program

PURPOSE

To amend the plan for the acquisition of wetland credits for the Local Government Roads Wetland Placement Program.

FINDINGS OF FACT / RECITALS

1. BWSR is directed pursuant to Minn. Stat. 103G.222, Subd. 1(m) (referred to as the Local Government Road Wetland Replacement Program) to provide wetland replacement for certain local government road projects.
2. BWSR operates the Local Government Road Wetland Replacement Program (LGRWRP) to also satisfy the compensatory mitigation requirements of Section 404 of the U.S. Clean Water Act administered by the U.S. Army Corps of Engineers.
3. State Bonding and General Funds have been appropriated to the Board periodically since program inception in 1996 to support this statutory responsibility.
4. The Board adopted the "Wetland Credit Acquisition Plan - Local Government Roads Wetland Replacement Program" (Plan) on March 27, 2019, through Board Order 19-18 as an overall framework for acquiring wetland credits as funds are appropriated for the program.
5. This Plan outlines four credit acquisition methods: Easement Sign-up, Contract for Credit, Partnership Project, and Bank Credit Purchase; and sets the Easement Sign-up payment rate at 125% of the Reinvest in Minnesota (RIM) program per-acre payment rate.
6. Due to recent increases in farmland values, the long-term risks and responsibilities associated with wetland bank sites, and the existence of other more financially attractive programs, it has become increasingly challenging to attract and retain quality wetland restoration projects sufficient to meet BWSR's statutory obligation to local governments.
7. The revised Plan increases the payment for Easement Sign-Up Projects to 150% of the RIM per-acre payment rates.
8. The Wetlands Conservation Committee reviewed the proposed amendments to the Plan on December 7, 2023 and recommends approval of the amended Plan.

ORDER

The Board hereby adopts the amendment to the LGRWRP Wetland Acquisition Plan that increases the payment rate for Easement Sign-up Projects to 150% of RIM.

Dated at St. Paul, Minnesota, this December 14, 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Date: _____

Todd Holman, Chair
Board of Water and Soil Resources

Attachment:

1. Wetland Credit Acquisition Plan - Local Government Roads Wetland Replacement Program

Wetland Credit Acquisition Plan

Local Government Roads Wetland Replacement Program

December 14, 2023

I. Background

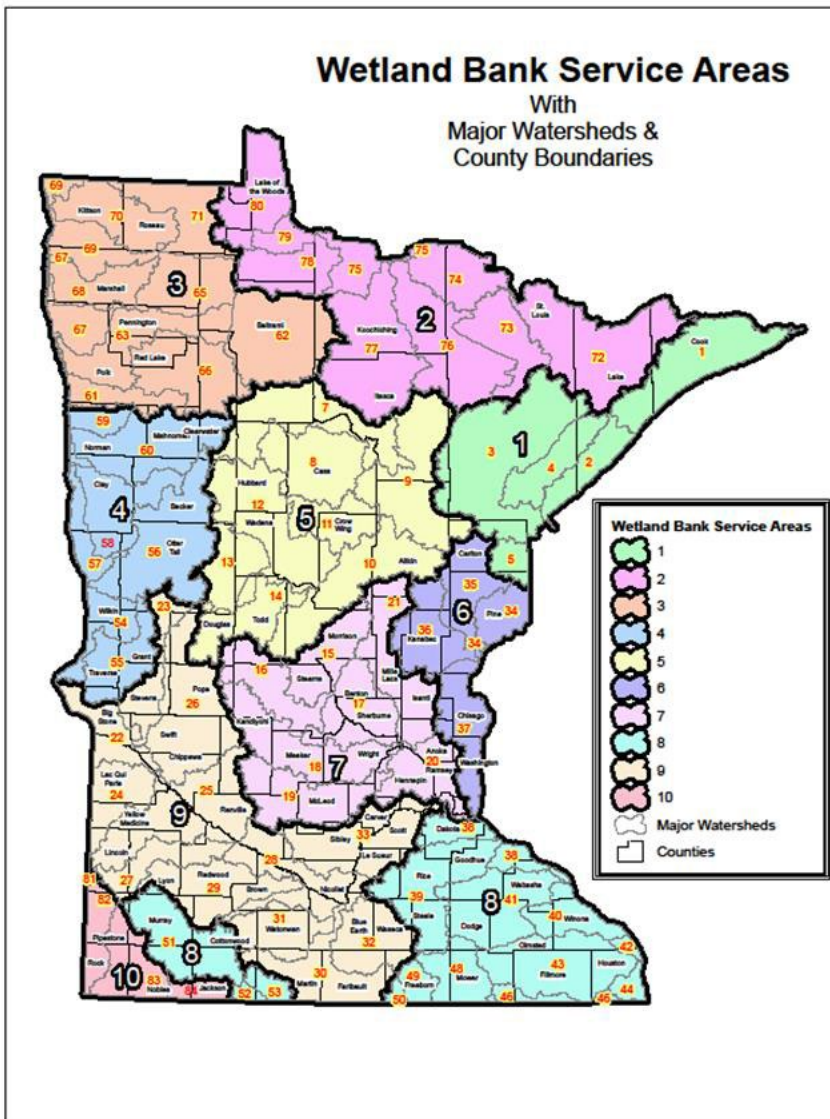
The Minnesota Board of Water and Soil Resources (BWSR) has been charged by the legislature to generate wetland replacement credits for use by local public transportation authorities to satisfy wetland replacement requirements of the Wetland Conservation Act (WCA) and Section 404 of the Federal Clean Water Act. The Local Government Roads Wetland Replacement Program (LGRWRP) provides wetland credits for local public transportation authorities that follow specified notification procedures and have qualifying projects according to criteria established in Minnesota Statutes § 103G.222, Subd. 1(m) and Minnesota Rules Chapter 8420.0544.

To fund the program, the state has typically provided BWSR with periodic bonding appropriations to acquire the necessary property rights, restore wetlands, and generate wetland replacement credits. These wetland restorations are primarily conducted on private lands with cooperating landowners. All such wetland restorations and associated credits are processed and entered into the State wetland banking system as “road replacement banks,” and are required to be protected by a permanent wetland conservation easement specific to wetland banks.

The state has also provided BWSR with general fund appropriations that, in addition to conducting wetland restoration projects as described above, can be used to purchase wetland bank credits from existing wetland bank account holders. These general fund appropriations typically have fewer restrictions than bonding appropriations, which allow for greater flexibility in funding LGRWRP credit generation activities. The ability to purchase wetland bank credits with these funds allows BWSR to address LGRWRP credit deficiencies immediately in areas where the private market can sustain it, rather than the several years it can take for the release of credits associated with BWSR-initiated wetland restoration projects.

Finally, it is common for the Department of Transportation (MnDOT) to collaborate with BWSR on wetland restoration projects that generate credits to be used by both the LGRWRP and MnDOT, and/or to provide funding to BWSR for the purchase of existing wetland bank credits on behalf of MnDOT. Addressing MnDOT’s credit needs in coordination with the LGRWRP creates efficiencies for MnDOT and is beneficial to both agencies. Therefore, any funds provided by MnDOT for wetland credit generating activities will be combined with LGRWRP funds whenever possible and used to generate or obtain wetland credits consistent with this Plan. In the event that LGRWRP funds are not available, BWSR will pursue credit generating activities consistent with this Plan and in accordance with the interagency agreement between BWSR and MnDOT in effect at the time the funds are provided.

Given the uncertainty and variability of wetland replacement needs associated with qualifying transportation projects, BWSR strives to keep an adequate supply of wetland credits in each bank service area (see map below). Having readily available wetland credits in all bank service areas allows public road projects to move forward on schedule and avoids credit penalties (and increased costs to the State) that apply when replacement occurs in a different bank service area than the wetland impact.



II. Credit Acquisition Methods

There are four primary methods that BWSR can use to acquire replacement wetland credits for the LGRWRP, each of which can play an important role depending on program needs and circumstances. They are described below, including some of the relevant advantages and drawbacks of each.

- 1) Easement Sign-up. This method involves the purchase of a perpetual conservation easement from a landowner that allows BWSR staff to design and implement a wetland restoration project. BWSR

typically contracts with the local Soil and Water Conservation District (SWCD) to assist, and contractors are hired by the landowner, BWSR, or the SWCD to implement the BWSR-developed plan. Contractor payments from the landowner are reimbursed by BWSR. The landowner is compensated for the easement, based on 150% of the Reinvest In Minnesota (RIM) per-acre payment rates in place at the time the contract is signed with the landowner. In some areas of the state, this method tends to be the most efficient means (in terms of cost per credit) of producing wetland credits and BWSR has been very successful using it. However, this method involves a significant BWSR staff commitment and may not be an attractive option in areas of the state where RIM rates are relatively low or for landowners wishing to seek greater compensation for the value of the wetland credits generated on their land.

- 2) Contract for Credit. This method involves issuing a request for proposal (RFP) for landowners, and/or other entities in partnership with landowners, to submit proposed wetland restoration projects that would establish credits for use in the LGRWRP. The proposals include a cost per credit that the landowner would sell deposited credits and the associated conservation easement to BWSR. This method requires BWSR to enter into a contract with the landowner to purchase wetland credits at a specified price once they are generated by the landowner through project implementation. This method often results in a higher cost per credit compared to the easement sign-up method. However, it requires significantly less BWSR staff time and could potentially attract landowners willing to front the cost of project implementation in exchange for the higher payment for wetland credits (as compared to the lower payment for wetland easement acres alone). BWSR's experience with this option is that the design and agency review process prior to construction typically takes longer than with BWSR-managed projects, which adds considerable uncertainty to the schedule for obtaining credits for the LGRWRP. In addition, there can be greater risk that projects do not get completed at all due to failure on the part of the landowner to follow through on the agreement. If that occurs, BWSR is left to reallocate funds to other projects resulting in delays, or lose the funding altogether. To help alleviate these risks, staff may target or incentivize projects that have an approved bank plan, or are otherwise already engaged in the review process, but have not yet completed the easement acquisition process.
- 3) Partnership Project. Under this method, BWSR will collaborate with a local government, state agency, landowner, or other entity to apportion the responsibilities for project development and agree on the distribution of the resulting credits and associated payment rates. In effect, this method is a hybrid of methods 1 and 2 above. These partnership projects take advantage of the capabilities and technical resources of each partner where there is a need for wetland credits. These projects maximize economies of scale for wetland bank projects by facilitating the pursuit of larger projects, while BWSR's funds can be used to pursue an increased number of projects statewide because the partnerships reduce the state's total investment in each project. These partnership projects are also a particularly attractive option for landowners in non-agricultural areas of the state where RIM payment rates are low, and for landowners interested in the private banking market, as the ability to retain some of the resulting credits can provide an additional incentive. However, partnership projects can be complicated with respect to dividing the responsibilities and financial commitments to the project, and there may be federal constraints that can restrict the use of partnership projects in certain situations. Another partnership option consists of partnering with a conservation project, where credits are generated for the LGRWRP in a proportion commensurate with the program's overall financial contributions to the project.
- 4) Bank Credit Purchase. This method involves issuing an RFP for wetland bank account holders to submit proposals for the sale of banking credits to BWSR at a specified price. Such credit purchases are typically

only pursued when necessary to address immediate credit shortages that cannot be addressed through the completion of wetland restoration projects due to the longer timeframes to generate credits that are associated with those projects. Since the purchase of credits does not involve the acquisition of property rights (the conservation easement has already been recorded), bonding appropriations generally cannot be used to fund this method.

III. Appropriation Conditions

Each funding appropriation will typically carry with it legislative directives and conditions that apply to its use. In addition, state law and policy can also contain additional requirements or limitations on use that can vary by funding source. For example, bonding appropriations can only be spent on projects that include the acquisition of property rights, must be spent in accordance with a spend plan approved by Minnesota Management and Budget, and carry limitations on the funding of staffing activities, overhead, equipment, and supplies.

BWSR staff will strictly abide by all conditions associated with each specific appropriation used to acquire replacement wetland credits for the LGRWRP. Future and past funding sources will be combined on credit acquisition activities where appropriation conditions allow and when it is beneficial for program implementation.

IV. Wetland Restoration Project Identification and Selection Process

This part applies to the implementation of wetland restoration and protection projects to generate credits for use by the LGRWRP, as described in paragraphs 1 through 3 of the Credit Acquisition Methods section. Projects will be solicited through an easement sign-up, RFP, similar public announcement, and/or through direct contact with local governments and landowners. The process to identify and evaluate potential projects is described in the following paragraphs.

A. Project Targeting

Projects will be solicited on a BSA basis. BSAs will be selected based on the projected credit needs of each, the availability and needs of the In-Lieu Fee wetland replacement program, and the amount of available funding. Projected credit needs will be estimated based on the current credit balance, expected deposits, and average annual demand over a three to ten year period. If sufficient projects are not obtained in selected BSAs, or if credit needs change as a result of the actual outcomes of other credit acquisition activities, other BSAs may be targeted based on credit need priority.

B. Determining Credit Acquisition Method

BWSR staff will generally prioritize the use of the Easement Sign-up and Partnership Project options for generating wetland credits for the LGRWRP. These methods provide greater certainty with respect to the project schedule because they utilize in-house agency expertise to design the project and obtain the required agency approvals. A predictable schedule is critical for BWSR to provide credits for local road projects in a timely manner. The Contract for Credit method will primarily be used when an adequate supply of credits cannot be acquired using other methods, or when BWSR's staffing capacity to implement other methods has been exceeded. The project solicitation notification will identify which method(s) will be available for each selected BSA.

C. Project Solicitation and Identification

Prior to soliciting projects, BWSR staff will prepare program and application information, instructions, and forms that will be posted on the BWSR website. Local governments, and other potentially interested entities as appropriate, will be informed of the posted materials and the project solicitation process. SWCDs will be encouraged to provide information and assistance to interested landowners. SWCDs working with landowners on projects selected by BWSR will have the opportunity to receive payment for services they provide for project development and implementation. Payment rates to SWCDs for services associated with selected projects will vary based on project size and the scope of services provided. The process for project solicitation will vary somewhat based on the credit acquisition method used:

- Easement Sign-up. Project solicitation under the Easement sign-up method will consist of a landowner sign-up of potential wetland banking sites. This sign-up will be facilitated through BWSR's local government partners, specifically SWCDs, counties, and non-profit conservation organizations involved in wetland conservation projects. SWCDs will utilize their local knowledge and expertise to help identify potential wetland banking projects and willing landowner participants. Landowners may seek assistance from SWCDs to gather site information and help complete application materials. The easement sign-up period will typically be open for a minimum of 30 days and may be left open continuously, with projects reviewed, ranked, and chosen as funding becomes available.
- Contract for Credit. Project solicitation under the Contract for Credit method will consist of an RFP for wetland restoration projects that will establish credits for the LGRWRP, including a proposed schedule, estimated number of credits, and per-credit price. The contract for a credit project solicitation period will typically be open for a minimum of 30 days, and generally not in excess of 6 months. Staff may issue a new RFP, or extend an open RFP, when additional funding becomes available or when sufficient responses have not been received. Staff may also consider targeting projects that are currently in the bank review process to reduce the time for obtaining credits.
- Partnership Project. Project solicitation for the Partnership Project method will be integrated with the Easement Sign-up and Contract for Credit project solicitation processes. Partnerships may be proposed by the landowner at the time their proposal is submitted, and/or negotiated during the review process based on the specific conditions of the site and the needs of the parties. Payment options may range from payment for the easement plus the value of the additional responsibilities of the landowner, to a per-credit price that takes into consideration the value of services provided by BWSR.

D. Project Review Criteria

To be eligible for consideration, all project applications must meet Minnesota Wetland Conservation Act replacement and construction standards. Applications will be reviewed using the following criteria:

1. Geographic Location. BWSR will give priority to projects located in BSAs with highest credit need as dictated by credit balances or fulfilling requirements imposed through operation of the in-lieu fee program.
2. Credit yield. Priority will generally be given to projects with higher credit yield due to efficiencies of scale. Higher credit yield can be associated with the size of the site, the action eligible for credit, or both.

3. Credit cost. Priority will generally be given to projects with lower per-credit costs. For the Easement Sign-up method, the cost of credits will be based on the estimated cost of the conservation easement, project design and management, and construction/monitoring relative to anticipated number of credits. For the Contract for Credit method, the cost of credits will be determined by the landowner per-credit payment rate plus any BWSR staffing and administrative costs relating to the project. For the Partnership Project method, the cost of credits will be determined by the sum of payments to the landowner plus any BWSR staffing and project implementation costs relating to the project.
4. Technical feasibility. Staff will assess the actions required to restore wetland hydrology and vegetation, the level of complexity of the project, and the reliability of proposed measures. Projects must be technically feasible to be considered for funding.
5. Functional benefit for the watershed. Projects that directly address watershed stressors or impairments, and/or the value of the restored functions and services to the watershed are higher relative to other proposals from the same BSA, will be given priority. For BSAs with high priority areas identified in Compensation Planning Frameworks (CPFs) or other BWSR recognized watershed based mitigation plans, projects will further be prioritized consistent with these documents.
6. Rare or difficult to replace wetland functions or characteristics. Extra consideration will be given for projects that would restore wetlands that are particularly rare or rarely restored.
7. Qualifications of the project sponsor. Staff may consider the qualifications of the project sponsor and the sponsor's agents, contractors, and consultants to fulfill all project-related responsibilities in a high quality and timely manner. In determining the qualifications of the project sponsor, staff may consider past experience with that sponsor.

E. Project Selection Process

The review process will be managed by the BWSR Wetland Mitigation Supervisor or their designee. In addition to Wetlands Section staff, BWSR engineering and technical staff will participate in the review of project applications as appropriate. Input will also be sought from staff of BWSR's resource partners at the Department of Natural Resources, Minnesota Pollution Control Agency, U.S. Environmental Protection Agency, and U.S. Army Corps of Engineers.

In general, the project review criteria will be qualitatively evaluated and placed into broad categories (high, medium, and low) based on the experience and knowledge of staff. An exact quantitative determination of review criteria is not possible or desirable when estimating proposed conditions. Final project selection will weigh the rankings for each of the review criteria and then consider those in terms of the geographic location priority list. For applications of the same credit acquisition method with similar rankings, efforts will be made to distribute selected projects evenly amongst priority areas.

Based on the results of the review, a list of recommended projects and alternates will be compiled by the Wetland Mitigation Supervisor, approved by the Wetlands Section Manager, and presented to the Executive Director or their designee for final approval. Individual projects identified through a continuous sign-up or through direct coordination with local governments will follow this same approval process.

V. Bank Credit Purchase Process

This part applies to the purchase of wetland bank credits using general fund appropriations or other funding sources that allow for such purchases without the associated acquisition of property rights, as described in paragraph 4 of the Credit Acquisition Methods section above.

This method will typically only be used to address areas with low or zero credit balances. However, this method could be more widely used depending on the amount of funding available, the supply of non-LGRWRP bank credits in a given BSA, and the cost of credits. These credit purchases will be completed using a competitive request for proposal process and in compliance with all applicable state contracting provisions. In purchasing credits under this method, BWSR staff will abide by the following principles:

1. BSAs will be prioritized based on current credit balances and projected balances over the following three years. BSAs with a greater immediate need for credits will receive a higher priority.
2. BWSR will not purchase credits from BSAs that do not currently have, or are not projected to have, an adequate supply of credits to support the private market. Staff will base this determination on the availability of deposited credits, expectations for additional credit deposits from in-process wetland bank projects, and typical private credit needs for that particular BSA. The RFP will identify the BSAs for which credit purchases are being considered.
3. In prioritizing BSAs and individual credit purchases, BWSR staff can consider the prices and availability of credits in other BSAs using a watershed approach.
4. Staff may place higher priority on credits that best meet or address state or federal regulatory requirements, such as those that are associated with a certain wetland type or that are located in a priority area. Such priorities will be identified in the RFP.
5. Assuming selection criteria are met equally, and when compared to other prices in the same BSA, credits with a lower price will be chosen for purchase over those with a higher price.
6. Staff will not accept any credit purchase proposal that includes a credit price that is, in the opinion of staff, unreasonably high based on other known credit sales, the availability of other credit options for that BSA, and the cost of BWSR to produce the credits through other methods.

VI. Applicability

This plan applies to all credit acquisition activities of the LGRWRP. These activities must also comply with the requirements of the Minnesota In-Lieu Fee Program for any credits being developed to repay advanced credits under that program. In addition, this Plan becomes effective upon Board approval and remains in effect until revised, superseded, or rescinded. Revisions and updates to this plan will be proposed as necessary for clarity and completeness, or to address new circumstances or requirements. BWSR staff will update the Board's Wetland Conservation Committee typically annually on the status of the LGRWRP and associated credit acquisition activities.

Wetland Credit Acquisition Plan

Local Government Roads Wetland Replacement Program

~~March 27, 2019~~ December 14, 2023

I. Background

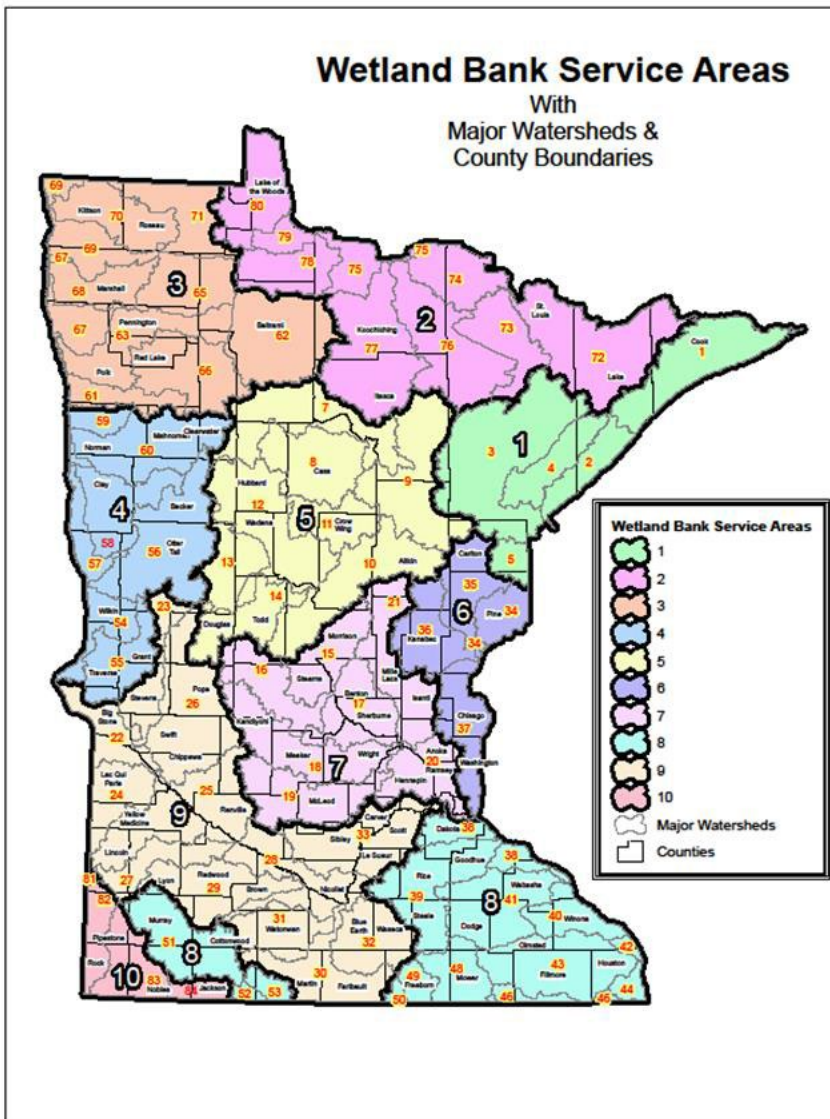
The Minnesota Board of Water and Soil Resources (BWSR) has been charged by the legislature to generate wetland replacement credits for use by local public transportation authorities to satisfy wetland replacement requirements of the Wetland Conservation Act (WCA) and Section 404 of the Federal Clean Water Act. The Local Government Roads Wetland Replacement Program (LGRWRP) provides wetland credits for local public transportation authorities that follow specified notification procedures and have qualifying projects according to criteria established in Minnesota Statutes § 103G.222, Subd. 1(m) and Minnesota Rules Chapter 8420.0544.

To fund the program, the state has typically provided BWSR with periodic bonding appropriations to acquire the necessary property rights, restore wetlands, and generate wetland replacement credits. These wetland restorations are primarily conducted on private lands with cooperating landowners. All such wetland restorations and associated credits are processed and entered into the State wetland banking system as “road replacement banks,” and are required to be protected by a permanent wetland conservation easement specific to wetland banks.

The state has also provided BWSR with general fund appropriations that, in addition to conducting wetland restoration projects as described above, can be used to purchase wetland bank credits from existing wetland bank account holders. These general fund appropriations typically have fewer restrictions than bonding appropriations, which allow for greater flexibility in funding LGRWRP credit generation activities. The ability to purchase wetland bank credits with these funds allows BWSR to address LGRWRP credit deficiencies immediately in areas where the private market can sustain it, rather than the several years it can take for the release of credits associated with BWSR-initiated wetland restoration projects.

Finally, it is common for the Department of Transportation (MnDOT) to collaborate with BWSR on wetland restoration projects that generate credits to be used by both the LGRWRP and MnDOT, and/or to provide funding to BWSR for the purchase of existing wetland bank credits on behalf of MnDOT. Addressing MnDOT’s credit needs in coordination with the LGRWRP creates efficiencies for MnDOT and is beneficial to both agencies. Therefore, any funds provided by MnDOT for wetland credit generating activities will be combined with LGRWRP funds whenever possible and used to generate or obtain wetland credits consistent with this Plan. In the event that LGRWRP funds are not available, BWSR will pursue credit generating activities consistent with this Plan and in accordance with the interagency agreement between BWSR and MnDOT in effect at the time the funds are provided.

Given the uncertainty and variability of wetland replacement needs associated with qualifying transportation projects, BWSR strives to keep an adequate supply of wetland credits in each bank service area (see map below). Having readily available wetland credits in all bank service areas allows public road projects to move forward on schedule and avoids credit penalties (and increased costs to the State) that apply when replacement occurs in a different bank service area than the wetland impact.



II. Credit Acquisition Methods

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typically contracts with the local Soil and Water Conservation District (SWCD) to assist, and contractors are hired by the landowner, BWSR, or the SWCD to implement the BWSR-developed plan. Contractor payments from the landowner are reimbursed by BWSR. The landowner is compensated for the easement, based on ~~125%~~ 150% of the Reinvest In Minnesota (RIM) per-acre payment rates in place at the time the contract is signed with the landowner. ~~This rate is consistent with the Board approved LGRWRP easement sign-up process conducted in 2012 (Board Resolution 12-117) and subsequent sign-ups.~~ In some areas of the state, this method tends to be the most efficient means (in terms of cost per credit) of producing wetland credits and BWSR has been very successful using it. However, this method involves a significant BWSR staff commitment and may not be an attractive option in areas of the state where RIM rates are relatively low or for landowners wishing to seek greater compensation for the value of the wetland credits generated on their land.

- 2) Contract for Credit. This method involves issuing a request for proposal (RFP) for landowners, and/or other entities in partnership with landowners, to submit proposed wetland restoration projects that would establish credits for use in the LGRWRP. The proposals include a cost per credit that the landowner would sell deposited credits and the associated conservation easement to BWSR. This method requires BWSR to enter into a contract with the landowner to purchase wetland credits at a specified price once they are generated by the landowner through project implementation. This method often results in a higher cost per credit compared to the easement sign-up method. However, it requires significantly less BWSR staff time and could potentially attract landowners willing to front the cost of project implementation in exchange for the higher payment for wetland credits (as compared to the lower payment for wetland easement acres alone). BWSR's experience with this option is that the design and agency review process prior to construction typically takes longer than with BWSR-managed projects, which adds considerable uncertainty to the schedule for obtaining credits for the LGRWRP. In addition, there can be greater risk that projects do not get completed at all due to failure on the part of the landowner to follow through on the agreement. If that occurs, BWSR is left to reallocate funds to other projects resulting in delays, or lose the funding altogether. To help alleviate these risks, staff may target or incentivize projects that have an approved bank plan, or are otherwise already engaged in the review process, but have not yet completed the easement acquisition process.
- 3) Partnership Project. Under this method, BWSR will collaborate with a local government, state agency, landowner, or other entity to apportion the responsibilities for project development and agree on the distribution of the resulting credits and associated payment rates. In effect, this method is a hybrid of methods 1 and 2 above. These partnership projects take advantage of the capabilities and technical resources of each partner where there is a need for wetland credits. These projects maximize economies of scale for wetland bank projects by facilitating the pursuit of larger projects, while BWSR's funds can be used to pursue an increased number of projects statewide because the partnerships reduce the state's total investment in each project. These partnership projects are also a particularly attractive option for landowners in non-agricultural areas of the state where RIM payment rates are low, and for landowners interested in the private banking market, as the ability to retain some of the resulting credits can provide an additional incentive. However, partnership projects can be complicated with respect to dividing the responsibilities and financial commitments to the project, and there may be federal constraints that can restrict the use of partnership projects in certain situations. Another partnership option consists of partnering with a conservation project, where credits are generated for the LGRWRP in a proportion commensurate with the program's overall financial contributions to the project.

- 4) Bank Credit Purchase. This method involves issuing an RFP for wetland bank account holders to submit proposals for the sale of banking credits to BWSR at a specified price. Such credit purchases are typically only pursued when necessary to address immediate credit shortages that cannot be addressed through the completion of wetland restoration projects due to the longer timeframes to generate credits that are associated with those projects. Since the purchase of credits does not involve the acquisition of property rights (the conservation easement has already been recorded), bonding appropriations generally cannot be used to fund this method.

III. Appropriation Conditions

Each funding appropriation will typically carry with it legislative directives and conditions that apply to its use. In addition, state law and policy can also contain additional requirements or limitations on use that can vary by funding source. For example, bonding appropriations can only be spent on projects that include the acquisition of property rights, must be spent in accordance with a spend plan approved by Minnesota Management and Budget, and carry limitations on the funding of staffing activities, overhead, equipment, and supplies.

BWSR staff will strictly abide by all conditions associated with each specific appropriation used to acquire replacement wetland credits for the LGRWRP. Future and past funding sources will be combined on credit acquisition activities where appropriation conditions allow and when it is beneficial for program implementation.

IV. Wetland Restoration Project Identification and Selection Process

This part applies to the implementation of wetland restoration and protection projects to generate credits for use by the LGRWRP, as described in paragraphs 1 through 3 of the Credit Acquisition Methods section. Projects will be solicited through an easement sign-up, RFP, similar public announcement, and/or through direct contact with local governments and landowners. The process to identify and evaluate potential projects is described in the following paragraphs.

A. Project Targeting

Projects will be solicited on a BSA basis. BSAs will be selected based on the projected credit needs of each, the availability and needs of the In-Lieu Fee wetland replacement program, and the amount of available funding. Projected credit needs will be estimated based on the current credit balance, expected deposits, and average annual demand over a three to ten year period. If sufficient projects are not obtained in selected BSAs, or if credit needs change as a result of the actual outcomes of other credit acquisition activities, other BSAs may be targeted based on credit need priority.

B. Determining Credit Acquisition Method

BWSR staff will generally prioritize the use of the Easement Sign-up and Partnership Project options for generating wetland credits for the LGRWRP. These methods provide greater certainty with respect to the project schedule because they utilize in-house agency expertise to design the project and obtain the required agency approvals. A predictable schedule is critical for BWSR to provide credits for local road projects in a timely manner. The Contract for Credit method will primarily be used when an adequate supply of credits cannot be acquired using other methods, or when BWSR's staffing capacity to implement other methods has been exceeded. The project solicitation notification will identify which method(s) will be available for each selected BSA.

C. Project Solicitation and Identification

Prior to soliciting projects, BWSR staff will prepare program and application information, instructions, and forms that will be posted on the BWSR website. Local governments, and other potentially interested entities as appropriate, will be informed of the posted materials and the project solicitation process. SWCDs will be encouraged to provide information and assistance to interested landowners. SWCDs working with landowners on projects selected by BWSR will have the opportunity to receive payment for services they provide for project development and implementation. Payment rates to SWCDs for services associated with selected projects will vary based on project size and the scope of services provided. The process for project solicitation will vary somewhat based on the credit acquisition method used:

- Easement Sign-up. Project solicitation under the Easement sign-up method will consist of a landowner sign-up of potential wetland banking sites. This sign-up will be facilitated through BWSR's local government partners, specifically SWCDs, counties, and non-profit conservation organizations involved in wetland conservation projects. SWCDs will utilize their local knowledge and expertise to help identify potential wetland banking projects and willing landowner participants. Landowners may seek assistance from SWCDs to gather site information and help complete application materials. The easement sign-up period will typically be open for a minimum of 30 days and may be left open continuously, with projects reviewed, ranked, and chosen as funding becomes available.
- Contract for Credit. Project solicitation under the Contract for Credit method will consist of an RFP for wetland restoration projects that will establish credits for the LGRWRP, including a proposed schedule, estimated number of credits, and per-credit price. The contract for a credit project solicitation period will typically be open for a minimum of 30 days, and generally not in excess of 6 months. Staff may issue a new RFP, or extend an open RFP, when additional funding becomes available or when sufficient responses have not been received. Staff may also consider targeting projects that are currently in the bank review process to reduce the time for obtaining credits.
- Partnership Project. Project solicitation for the Partnership Project method will be integrated with the Easement Sign-up and Contract for Credit project solicitation processes. Partnerships may be proposed by the landowner at the time their proposal is submitted, and/or negotiated during the review process based on the specific conditions of the site and the needs of the parties. Payment options may range from payment for the easement plus the value of the additional responsibilities of the landowner, to a per-credit price that takes into consideration the value of services provided by BWSR.

D. Project Review Criteria

To be eligible for consideration, all project applications must meet Minnesota Wetland Conservation Act replacement and construction standards. Applications will be reviewed using the following criteria:

1. Geographic Location. BWSR will give priority to projects located in BSAs with highest credit need as dictated by credit balances or fulfilling requirements imposed through operation of the in-lieu fee program.
2. Credit yield. Priority will generally be given to projects with higher credit yield due to efficiencies of scale. Higher credit yield can be associated with the size of the site, the action eligible for credit, or both.

3. Credit cost. Priority will generally be given to projects with lower per-credit costs. For the Easement Sign-up method, the cost of credits will be based on the estimated cost of the conservation easement, project design and management, and construction/monitoring relative to anticipated number of credits. For the Contract for Credit method, the cost of credits will be determined by the landowner per-credit payment rate plus any BWSR staffing and administrative costs relating to the project. For the Partnership Project method, the cost of credits will be determined by the sum of payments to the landowner plus any BWSR staffing and project implementation costs relating to the project.
4. Technical feasibility. Staff will assess the actions required to restore wetland hydrology and vegetation, the level of complexity of the project, and the reliability of proposed measures. Projects must be technically feasible to be considered for funding.
5. Functional benefit for the watershed. Projects that directly address watershed stressors or impairments, and/or the value of the restored functions and services to the watershed are higher relative to other proposals from the same BSA, will be given priority. For BSAs with high priority areas identified in Compensation Planning Frameworks (CPFs) or other BWSR recognized watershed based mitigation plans, projects will further be prioritized consistent with these documents.
6. Rare or difficult to replace wetland functions or characteristics. Extra consideration will be given for projects that would restore wetlands that are particularly rare or rarely restored.
7. Qualifications of the project sponsor. Staff may consider the qualifications of the project sponsor and the sponsor's agents, contractors, and consultants to fulfill all project-related responsibilities in a high quality and timely manner. In determining the qualifications of the project sponsor, staff may consider past experience with that sponsor.

E. Project Selection Process

The review process will be managed by the BWSR Wetland Mitigation ~~Coordinator~~ Supervisor or their designee. In addition to Wetlands Section staff, BWSR engineering and technical staff will participate in the review of project applications as appropriate. Input will also be sought from staff of BWSR's resource partners at the Department of Natural Resources, Minnesota Pollution Control Agency, U.S. Environmental Protection Agency, and U.S. Army Corps of Engineers.

In general, the project review criteria will be qualitatively evaluated and placed into broad categories (high, medium, and low) based on the experience and knowledge of staff. An exact quantitative determination of review criteria is not possible or desirable when estimating proposed conditions. Final project selection will weigh the rankings for each of the review criteria and then consider those in terms of the geographic location priority list. For applications of the same credit acquisition method with similar rankings, efforts will be made to distribute selected projects evenly amongst priority areas.

Based on the results of the review, a list of recommended projects and alternates will be compiled by the Wetland Mitigation ~~Coordinator~~ Supervisor, approved by the Wetlands Section Manager, and presented to the Executive Director or their designee for final approval. Individual projects identified through a continuous sign-up or through direct coordination with local governments will follow this same approval process.

V. Bank Credit Purchase Process

This part applies to the purchase of wetland bank credits using general fund appropriations or other funding sources that allow for such purchases without the associated acquisition of property rights, as described in paragraph 4 of the Credit Acquisition Methods section above.

This method will typically only be used to address areas with low or zero credit balances. However, this method could be more widely used depending on the amount of funding available, the supply of non-LGRWRP bank credits in a given BSA, and the cost of credits. These credit purchases will be completed using a competitive request for proposal process and in compliance with all applicable state contracting provisions. In purchasing credits under this method, BWSR staff will abide by the following principles:

1. BSAs will be prioritized based on current credit balances and projected balances over the following three years. BSAs with a greater immediate need for credits will receive a higher priority.
2. BWSR will not purchase credits from BSAs that do not currently have, or are not projected to have, an adequate supply of credits to support the private market. Staff will base this determination on the availability of deposited credits, expectations for additional credit deposits from in-process wetland bank projects, and typical private credit needs for that particular BSA. The RFP will identify the BSAs for which credit purchases are being considered.
3. In prioritizing BSAs and individual credit purchases, BWSR staff can consider the prices and availability of credits in other BSAs using a watershed approach.
4. Staff may place higher priority on credits that best meet or address state or federal regulatory requirements, such as those that are associated with a certain wetland type or that are located in a priority area. Such priorities will be identified in the RFP.
5. Assuming selection criteria are met equally, and when compared to other prices in the same BSA, credits with a lower price will be chosen for purchase over those with a higher price.
6. Staff will not accept any credit purchase proposal that includes a credit price that is, in the opinion of staff, unreasonably high based on other known credit sales, the availability of other credit options for that BSA, and the cost of BWSR to produce the credits through other methods.

VI. Applicability

This plan applies to all credit acquisition activities of the LGRWRP. These activities must also comply with the requirements of the Minnesota In-Lieu Fee Program for any credits being developed to repay advanced credits under that program. In addition, this Plan becomes effective upon Board approval and remains in effect until revised, superseded, or rescinded. Revisions and updates to this plan will be proposed as necessary for clarity and completeness, or to address new circumstances or requirements. BWSR staff will update the Board's Wetland Conservation Committee typically annually on the status of the LGRWRP and associated credit acquisition activities.

COMMITTEE RECOMMENDATIONS

RIM Reserve Committee

1. Reinvest in Minnesota (RIM) Easement Enhancement Program – Sharon Doucette – ***DECISION ITEM***
2. RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-01-17-01 – Karli Swenson – ***DECISION ITEM***
3. RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-04-93-01 – Karli Swenson – ***DECISION ITEM***
4. Reinvest in Minnesota (RIM) Reserve Critical Shorelands Program – Bill Penning – ***DECISION ITEM***
5. Reinvest in Minnesota Reserve – Working Lands Program – Bill Penning – ***DECISION ITEM***
6. Reinvest in Minnesota (RIM) Reforestation Program – Bill Penning – ***DECISION ITEM***
7. Reinvest in Minnesota (RIM) Buffalo-Red River Watershed District (BRRWD) Stream Restoration Program – John Voz – ***DECISION ITEM***
8. Reinvest in Minnesota (RIM) Reserve Grasslands Program – John Voz – ***DECISION ITEM***

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Reinvest in Minnesota (RIM) Easement Enhancement Program

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information Non-Public Data

Keywords for Electronic Searchability: RIM, Enhancement, Easement

Section/Region: Easements

Contact: Sharon Doucette

Prepared by: Sharon Doucette

Reviewed by: RIM _____ Committee(s)

Presented by: Sharon Doucette

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input type="checkbox"/> None | <input checked="" type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

The Board is requested to approve the recommendation of the RIM Committee to authorize the RIM Easement Enhancement Program. This is a new program resulting from a General Fund appropriation during the 2023 legislative session.

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

ML 2023 Chapter 60, Article 1, Section 4(o) designated “\$2,000,000 the first year and \$2,000,000 the second year to enhance existing easements established under Minnesota Statutes, sections 103F.501 to 103F.531. Enhancements are for the purposes of climate resiliency, adaptation, and carbon sequestration and include but are not limited to increasing biodiversity and mitigating the effects of rainfall and runoff events.” This program will inspect and prioritize vegetative and structural enhancements on existing easements to improve easement lands resiliency, provide for added carbon sequestration, increase biodiversity for current and future climates as well as assist in mitigating larger rainfall events. Structural project examples include, but are not limited to, modifying outlet structures or increasing the footprint of existing wetland restorations to increase capacity. Vegetative work examples include, but are not limited to, pollinator planting and enhanced biodiversity of existing vegetation on site.

Board Resolution # 23- _____

Reinvest in Minnesota (RIM) Easement Enhancement Program

WHEREAS, the Minnesota State Legislature has appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the General Fund to enhance existing RIM conservation easements under Minnesota Statutes, Section 103F.515 to 103F.531; and

WHEREAS, ML 2023 Chapter 60, Article 1, Section 4(o) designated funds “to enhance existing easements. . . Enhancements are for the purposes of climate resiliency, adaptation, and carbon sequestration and include but are not limited to increasing biodiversity and mitigating the effects of rainfall and runoff events.”; and,

WHEREAS, future similar funds appropriated by the Minnesota State Legislature must be used consistent with the appropriation language to enhance existing Reinvest in Minnesota (RIM) conservation easements under the RIM Easement Enhancement Program; and,

WHEREAS, BWSR staff recognize the need to inspect and prioritize vegetative and structural enhancements on existing easements to improve easement lands resiliency, provide for added carbon sequestration, increase biodiversity for current and future climates as well as assist in mitigating larger rainfall events; and

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on November 13, 2023, and unanimously recommends the following provisions.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to:

1. Utilize existing and future appropriated funds of similar purpose to implement the RIM Easement Enhancement Program.
2. Work with partners to develop program guidelines and outreach efforts.
3. Select and fund projects using available funding for the RIM Easement Enhancement Program.
4. Enter into agreements with local partners and other qualified entities as necessary to implement the purposes of this program.

BE IT FURTHER RESOLVED THAT, this resolution will remain in effect, as funding is available, until material changes in the program warrant an amendment.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-01-17-01

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Conservation Easement Section

Contact: Sharon Doucette, Easement Section Manager

Prepared by: Karli Swenson, Conservation Easement Specialist

Reviewed by: RIM Reserve Committee(s)

Presented by: Karli Swenson

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

Board approval to amend RIM easement #72-01-17-01 in Sibley County, to release 0.98 acres of land acquired by MnDOT for new right-of-way along State Highway 93. Compensation by MnDOT for the release has been determined according to our Easement Alteration Policy for Public Benefitted Projects.

LINKS TO ADDITIONAL INFORMATION

- [BWSR Easement Alteration Policy](#)
- [MnDOT Highway 93 Project](#)

Additional supporting information attached.

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The MN Department of Transportation is undertaking the reconstruction of a segment of State Highway 93 from the intersection of US Highway 169 to the City of Henderson. This reconstruction will include a significant grade raise of the roadway to mitigate the reoccurring road closures due to flooding of the

Minnesota and Rush Rivers along this corridor. With the roadway being raised, additional right of way is needed to maintain standard slopes and ditches for the safety of the traveling public. MnDOT is requesting the release of 0.98 acres from RIM easement 72-01-17-01 (known as MnDOT Parcel 40) to accommodate for the new right-of-way.

The supporting map shows the existing RIM easement and the area proposed for release.

BWSR's Easement Alteration Policy for public benefitted projects allows for release of land from the easement if the public entity compensates BWSR for the released acres at two times the current RIM payment rate, plus reimbursement of state funds paid for conservation practices, and a \$500 administrative fee. MnDOT has agreed to compensate BWSR according to the following calculations:

(2x current CREP cropland rate for Henderson Township) = $\$10602.05/\text{acre} \times 2 = \$21,204.1/\text{acre}$

$\$21,204.1 \times 0.98 \text{ acres to be released} = \$20,780.02$

$\$20,780.02 \times 20.05\% \text{ (BWSR portion of CREP payment)} = \$4,166.39$

Cost for conservation practice payments paid by state on release area: $\$62.06/\text{acre}$ (BWSR portion) for direct seeding of hardwoods $\times 0.98 \text{ acres} = \60.62

Application fee for easement alteration request = $\$500$

Total cost due to BWSR for Easement Alteration: $\$4,727.01$

This easement, having been funded through the Outdoor Heritage Fund, requires approval by the Lessard-Sams Outdoor Heritage Council prior to this release. The easement alteration request was presented to the Council at their November 16, 2023 meeting. OHF dollars originally spent to acquire these acres will be returned to the fund, with the additional dollars (less the \$500 processing fee) to be used towards future RIM wetland easement acquisition.

Recommendation

Easement staff recommends approval of the easement alteration request, to amend easement 72-01-17-01 to release 0.98 acres, as proposed, to accommodate improvements to State Highway 93 for the benefit and safety of the public.

Board Resolution # 23- _____

RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-01-17-01

WHEREAS, BWSR acquired a 42.18-acre CREP Floodplain Easement adjacent to State Highway 93 in Henderson Township in Sibley County on 7/31/2018; and

WHEREAS, the Minnesota Department of Transportation (MnDOT) will be undertaking reconstruction of a 3.6-mile segment of State Highway 93, raising the roadway 8 feet to mitigate for flooding impacts and prevent future road closures; and

WHEREAS, MnDOT is acquiring land from the current landowners for additional right-of-way needed to maintain standard slopes and ditches for the safety of the traveling public; and

WHEREAS, MnDOT is requesting the release of 0.98 acres from RIM Easement #72-01-17-01 to accommodate the additional road right-of-way; and

WHEREAS, MN Rule 8400.3610 states that the Board may alter or release an easement if the State Board determines that the public interest and general welfare are better served by the alteration; and

WHEREAS, the BWSR Easement Alteration Policy for public benefitted projects allows for the release of easement lands if the public entity compensates BWSR at 2x the current RIM payment rate per acre released and any state funds spent on restoration practices on the area; and

WHEREAS, MnDOT has agreed to pay BWSR the amount of \$4727.01, in accordance with the policy, for the release of the 0.98 acres, which includes the \$500 application fee for the Board to consider the alteration; and

WHEREAS, the Lessard-Sams Outdoor Heritage Council approved this release at their November 16, 2023 council meeting, as required for easements funded with Outdoor Heritage Fund (OHF) dollars; and

WHEREAS, BWSR will return the amount of OHF funds originally spent on easement acquisition and restoration of the release area to the fund; and

WHEREAS, BWSR will utilize the remaining compensation received for this release, less the \$500 processing fee, for future acquisition of RIM wetland easements; and

WHEREAS, the RIM Reserve Committee voted in favor of the proposal at their meeting held November 13, 2023 and is recommending approval to the board.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources (BWSR) approves the alteration of RIM Easement #72-01-17-01, as proposed, releasing 0.98 acres for State Highway 93 right-of-way purposes; and authorizes staff to work with Sibley SWCD staff to officially amend the necessary RIM easement documents.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-04-93-01

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Conservation Easement Section
Sharon Doucette, Easement Section

Contact: Manager
Karli Swenson, Conservation Easement

Prepared by: Specialist

Reviewed by: RIM Reserve Committee(s)

Presented by: Karli Swenson

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- None General Fund Budget
- Amended Policy Requested Capital Budget
- New Policy Requested Outdoor Heritage Fund Budget
- Other: Clean Water Fund Budget

ACTION REQUESTED

Board approval to amend the boundary of RIM easement #72-04-93-01 in Sibley County, to release 0.4 acres of land acquired by MnDOT for new right-of-way along State Highway 93. Compensation by MnDOT for the release has been determined according to our Easement Alteration Policy for Public Benefitted Projects.

LINKS TO ADDITIONAL INFORMATION

- [BWSR Easement Alteration Policy](#)
- [MnDOT Highway 93 Project](#)

Additional supporting information attached.

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The MN Department of Transportation is undertaking the reconstruction of a segment of State Highway 93 from the intersection of US Highway 169 to the City of Henderson. This reconstruction will include a significant grade raise of the roadway to mitigate the reoccurring road closures due to flooding of the Minnesota and Rush Rivers along this corridor. With the roadway being raised, additional right of way is

needed to maintain standard slopes and ditches for the safety of the traveling public. MnDOT is requesting the release of 0.4 acres from RIM easement 72-04-93-01 (known as MnDOT Parcel 32) to accommodate for the new right-of-way.

The supporting map shows the existing RIM easement and the area proposed for release.

BWSR's Easement Alteration Policy for public benefitted projects allows for release of land from the easement if the public entity compensates BWSR for the released acres at two times the current RIM payment rate, plus re-imbusement of state funds paid for conservation practices, and a \$500 administrative fee. MnDOT has agreed to compensate BWSR according to the following calculations:

Current RIM payment rate for Henderson Township: \$8218.64/acre

2x current rim rate = $16,437.28 \times 0.4 \text{ acres} = \6574.91 for release per BWSR Policy

Application fee per BWSR policy = \$500

No State funds were spent on conservation practices on this parcel.

Total cost for Easement Alteration request of easement 72-04-93-01 = \$7074.91

Recommendation

Easement staff and the RIM Reserve Committee recommend approval of the easement alteration request, to amend easement 72-04-93-01 to release 0.4 acres, as proposed, to accommodate improvements to State Highway 93 for the benefit and safety of the public.

Board Resolution # 23- _____

RIM Easement Alteration Request for MnDOT Highway 93 Improvements – Easement #72-04-93-01

WHEREAS, BWSR acquired a 4.8-acre RIM Marginal Lands easement adjacent to State Highway 93 in Henderson Township in Sibley County on December 29, 1993; and

WHEREAS, the Minnesota Department of Transportation (MnDOT) will be undertaking reconstruction of a 3.6-mile segment of State Highway 93, raising the roadway 8 feet to mitigate for flooding impacts and prevent future road closures; and

WHEREAS, MnDOT is acquiring land from the current landowners for additional right-of-way needed to maintain standard slopes and ditches for the safety of the traveling public; and

WHEREAS, MnDOT is requesting the release of 0.4 acres from RIM Easement #72-04-93-01 to accommodate the additional road right-of-way; and

WHEREAS, MN Rule 8400.3610 states that the Board may alter or release an easement if the State Board determines that the public interest and general welfare are better served by the alteration; and

WHEREAS, the BWSR Easement Alteration Policy for public benefitted projects allows for the release of easement lands if the public entity compensates BWSR at 2x the current RIM payment rate per acre released and any state funds spent on restoration practices on the area; and

WHEREAS, MnDOT has agreed to pay BWSR the amount of \$7074.91, in accordance with the policy, for the release of the 0.4 acres, which includes the \$500 application fee for the Board to consider the alteration; and

WHEREAS, the RIM Reserve Committee voted in favor of the proposal at their meeting held November 13, 2023 and is recommending approval to the board.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources (BWSR) approves the alteration of RIM Easement #72-04-93-01, as proposed, releasing 0.4 acres for State Highway 93 right-of-way purposes; and authorizes staff to work with Sibley SWCD staff to officially amend the necessary RIM easement documents.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Reinvest in Minnesota (RIM) Reserve Critical Shorelands Program

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information Non-Public Data

Keywords for Electronic Searchability: RIM, Shoreland, Rum, Pine, Crow Wing

Section/Region: Easements

Contact: Bill Penning

Prepared by: Bill Penning

Reviewed by: RIM Committee(s)

Presented by: Bill Penning

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|---|
| <input type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input checked="" type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

The Board is requested to approve the recommendation of the RIM Committee to authorize the RIM Critical Shorelines Protection Program. This is the fifth appropriation for this program.

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

ML 2023 Chapter 40, Article 2, Section 6(k) designated funds “to purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but that are threatened with degradation.” This project will utilize RIM easements to protect priority parcels in the Rum, Crow Wing, Pine and Mississippi River (Brainerd) Watersheds, important and threatened tributaries to the Mississippi River and the source water for numerous Twin City and rural communities while providing numerous other benefits. Initial funding for the program was approved by the Board in 2015 (Pine River), 2017 (Crow Wing River), 2019 and 2021 (Rum River). With the exception of 2021, those funds have been allocated and there is a waiting list of landowners who are interested in getting into the program. This resolution adds the Mississippi River (Brainerd) watershed, makes funds available to all 4 watersheds, authorizes staff to reallocate 2021 funds to ensure they get used before they expire, and to utilize new and existing funds to continue to implement this program.

Board Resolution # 23- _____

Reinvest in Minnesota (RIM) Reserve Critical Shorelands Program

WHEREAS, the Minnesota State Legislature has appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the Clean Water Fund to acquire and restore permanent RIM conservation easements under Minnesota Statutes, Section 103F.515 to 103F.531; and

WHEREAS, ML 2023 Chapter 40, Article 2, Section 6(k) designated funds “to purchase permanent conservation easements to protect lands adjacent to public waters that have good water quality but that are threatened with degradation”; and,

WHEREAS, future similar funds appropriated by the Minnesota State Legislature must be used consistent with the appropriation language to acquire and restore Reinvest in Minnesota (RIM) conservation easements under the RIM Critical Shorelines Program; and,

WHEREAS, BWSR staff, working with local partners, identified the Pine, Crow Wing, Rum and Mississippi (Brainerd) River Watersheds as important contributors of clean source water to downstream communities; and

WHEREAS, this resolution is supplemental to previously approved BWSR Board resolutions; and

WHEREAS, the Board, by separate resolution, has established the process for determining RIM easement “Standard Easement Payment Rates: Northern Forests Region”; and

WHEREAS, the RIM Reserve Conservation Easement Program is administered by BWSR in cooperation with local Soil and Water Conservation Districts (SWCDs) under Joint Powers Agreements; and

WHEREAS, Board Resolution 21-43 designated funds to the Rum River; and

WHEREAS, local staffing shortages have made timely expenditure of those funds difficult; and

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on November 13, 2023, and unanimously recommends the following provisions.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to:

1. Utilize existing and future appropriated funds of similar purpose, including available funds under resolution 21-43, to implement the RIM Critical Shorelands Program.
2. Work with partners to develop program guidelines and outreach efforts.
3. Utilize RIM easement payment rates as established for “Standard Easement Payment Rates: Northern Forests Region”.
4. Conduct landowner sign-ups and select applications using available funding for the RIM Critical Shorelands program.

5. Reimburse SWCDs for their services using the most current service rates as established.
6. Reallocate older Rum River funds to other watersheds as appropriate.

BE IT FURTHER RESOLVED THAT, this resolution will remain in effect, as funding is available, until material changes in the program warrant an amendment.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Date: _____

Todd Holman, Chair
Board of Water and Soil Resources

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Reinvest in Minnesota Reserve – Working Lands Program

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information Non-Public Data

Keywords for Electronic Searchability: Working Lands, Grazing, RIM, Easements

Section/Region: Easements

Contact: Bill Penning

Prepared by: Bill Penning

Reviewed by: RIM Committee(s)

Presented by: Bill Penning

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|--|
| <input type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input checked="" type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

The Board is requested to approve the recommendation of the RIM Committee to authorize the RIM Working Lands Program.

LINKS TO ADDITIONAL INFORMATION

<https://bwsr.state.mn.us/RIM-Working-Lands>

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

Minnesota Laws of 2019, Chapter 2, Article 1, Section 4(d) allowed for up to \$1,000,000 to be used to acquire working lands easements. These initial funds were used to establish a RIM Working Lands Pilot Program. With these funds, staff, working with partners, developed eligibility requirements, process, procedures, payment rates and cost share rates and began taking applications for the program. Recently, Minnesota Laws of 2023, Ch. 40, Art. 1, Sec. 2, subd. 2(e) appropriated an additional \$2,709,000 to the program which is now ready to move from a pilot to a fully operational program.

This resolution authorizes expenditure of the new funds and implements the program into the future using the process developed during the pilot phase.

Board Resolution # 23- _____

Reinvest in Minnesota (RIM) Reserve Working Lands Program

WHEREAS, the Minnesota State Legislature has appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the Outdoor Heritage Fund to acquire and restore permanent RIM conservation easements under Minnesota Statutes, Section 103F.515 to 103F.531; and

WHEREAS, ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 2(e) designated funds “to acquire permanent conservation easements that allow long-term grazing while also protecting wildlife habitat and water quality under Minnesota Statutes, sections 103F.501 to 103F.531”; and,

WHEREAS, the Minnesota State Legislature has previously appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the Capital Investment Fund; and

WHEREAS, future similar funds appropriated by the Minnesota State Legislature must be used consistent with the appropriation language to acquire and restore Reinvest in Minnesota (RIM) conservation easements under the RIM Working Lands Program; and,

WHEREAS, BWSR staff, working with local partners, developed a Working Lands Pilot Program; and

WHEREAS, the Working Lands Pilot Program is now ready to become fully operational; and

WHEREAS, this resolution is supplemental to previously approved BWSR Board resolutions; and

WHEREAS, the Board, by separate resolution, previously authorized staff to develop a RIM easement payment rate method similar to the method established for federal ACUB easements; and

WHEREAS, the Working Lands Pilot Program determined a payment rate of 50% of the most recent assessed market value of the land as determined by the county assessor of the county where the land is located; and

WHEREAS, the RIM Reserve Conservation Easement Program is administered by BWSR in cooperation with local Soil and Water Conservation Districts (SWCDs) under Joint Powers Agreements; and

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on November 13, 2023, and unanimously recommends the following provisions.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to:

1. Utilize existing and future appropriated funds of similar purpose to implement the RIM Working Lands Program.
2. Work with partners to develop program guidelines and outreach efforts.
3. Utilize RIM easement payment rates of 50% of the most recent assessed market value of the land as determined by the county assessor of the county where the land is located.

4. Conduct landowner sign-ups and select applications using available funding for the RIM Working Lands Program.
5. Reimburse SWCDs for their services using the most current service rates as established.

BE IT FURTHER RESOLVED THAT, this resolution will remain in effect, as funding is available, until material changes in the program warrant an amendment.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Reinvest in Minnesota (RIM) Reforestation Program

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information Non-Public Data

Keywords for Electronic Searchability: RIM, Reforestation, Easement, Forest

Section/Region: Easements

Contact: Sharon Doucette

Prepared by: Sharon Doucette

Reviewed by: RIM Committee(s)

Presented by: Bill Penning

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|--|---|
| <input type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input type="checkbox"/> Outdoor Heritage Fund Budget |
| <input checked="" type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |
| <u>Environment and natural resources Trust Fund Budget</u> | |

ACTION REQUESTED

The Board is requested to approve the recommendation of the RIM Committee to authorize the RIM Reforestation Program. This is a new program resulting from an Environment and Natural Resources Trust Fund (ENRTF) appropriation during the 2022 legislative session and amended in 2023.

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

ML 2022 Chapter 94, Section 2, Subd. 8(j) as amended in ML 2023 Chapter 60, Article 2, Section 14 designated “\$3,318,000. . . to the Board of Water and Soil Resources, in cooperation with soil and water conservation districts, the Mille Lacs Band of Ojibwe, and the Department of Natural Resources, to accelerate tree planting on privately owned, protected lands for water-quality protection and carbon sequestration.” The ENRTF project will

significantly expand the capacity of tree planting for private landowners in three priority watersheds – the Rum, Long Prairie and Redeye. These three watersheds are in the transitional zone of the state, where the most significant losses of historic forestland cover have occurred. The project budget includes approximately \$1.4M for easement acquisition via RIM in addition to grant funds to SWCDs. The grant funds were previously approved by the board via Board Order 22-42. The program will utilize the ENRTF funds and future funds from the same or other funding sources to accelerate reforestation efforts in Minnesota.

Board Resolution # 23- _____

Reinvest in Minnesota (RIM) Reserve Reforestation Program

WHEREAS, the Minnesota State Legislature has appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the Environment and Natural Resources Trust Fund to acquire and restore permanent RIM conservation easements under Minnesota Statutes, Section 103F.515 to 103F.531; and

WHEREAS, ML 2022 Chapter 94, Section 2, Subd. 8(j) as amended in ML 2023 Chapter 60, Article 2, Section 14, designated funds “to the Board of Water and Soil Resources, in cooperation with soil and water conservation districts, the Mille Lacs Band of Ojibwe, and the Department of Natural Resources, to acquire interests in land and to accelerate tree planting on protected lands for water-quality protection and carbon sequestration” and,

WHEREAS, future similar funds appropriated by the Minnesota State Legislature must be used consistent with the appropriation language to acquire and restore Reinvest in Minnesota (RIM) conservation easements under the RIM Reforestation Program; and,

WHEREAS, BWSR staff, working with local, state and federal partners, have identified the need to significantly expand the capacity of tree planting for private landowners in priority watersheds.

WHEREAS, the Board, by separate resolution, has established the process for determining RIM “Standard Easement Payment Rates: Northern Forests Region”; and

WHEREAS, the RIM Reserve Conservation Easement Program is administered by BWSR in cooperation with local Soil and Water Conservation Districts (SWCDs) under Joint Powers Agreements; and

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on November 13, 2023, and unanimously recommends the following provisions.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to:

1. Utilize existing and future appropriated funds of similar purpose to implement the RIM Reforestation Program.
2. Work with partners to develop program guidelines and outreach efforts.
3. Utilize RIM easement payment rates as established for “Standard Easement Payment Rates: Northern Forests Region”.
4. Conduct landowner sign-ups and select applications using available funding for the RIM Reforestation Program.
5. Reimburse SWCDs for their services using the most current service rates as established.

BE IT FURTHER RESOLVED THAT, this resolution will remain in effect, as funding is available, until material changes in the program warrant an amendment.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Reinvest in Minnesota (RIM) Buffalo-Red River Watershed District (BRRWD)
Stream Restoration Program

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information Non-Public Data

Keywords for Electronic Searchability: BRRWD, RIM, Easements, Buffalo-Red

Section/Region: Easements

Contact: John Voz

Prepared by: Sharon Doucette

Reviewed by: RIM Committee(s)

Presented by: John Voz

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- None General Fund Budget
- Amended Policy Requested Capital Budget
- New Policy Requested Outdoor Heritage Fund Budget
- Other: Clean Water Fund Budget

ACTION REQUESTED

The Board is requested to approve the recommendation of the RIM Committee to authorize the RIM BRRWD Stream Restoration Program.

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 5(d) designated funds to “acquire permanent conservation easements and restore and enhance aquatic and upland habitat associated with the Red River and Buffalo River watersheds”. BWSR and BRRWD are partners on the program. BRRWD, with BWSR’s assistance, will work to secure easements on several straightened stream reaches within BRRWD for restoration as well as restoration of the adjoining riparian habitat corridors.

This resolution authorizes expenditures of the new funds as well as future funds for the same purpose and implements the program using the process developed with BRRWD.

Board Resolution # 23- _____

**Reinvest in Minnesota (RIM) Buffalo-Red River Watershed District (BRRWD)
Stream Restoration Program**

WHEREAS, the Minnesota State Legislature has appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the Outdoor Heritage Fund to acquire and restore permanent RIM conservation easements under Minnesota Statutes, Section 103F.515 to 103F.531; and

WHEREAS, ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 5(d) designated funds “acquire permanent conservation easements and restore and enhance aquatic and upland habitat associated with the Red River and Buffalo River watersheds.”; and,

WHEREAS, future similar funds appropriated by the Minnesota State Legislature must be used consistent with the appropriation language to acquire and restore Reinvest in Minnesota (RIM) conservation easements under the RIM BRRWD Stream Habitat Program; and,

WHEREAS, BWSR staff, working with local partners, have identified several straightened stream reaches in BRRWD for restoration as well as restoration of the adjoining riparian habitat corridors; and

WHEREAS, BWSR has a history of working with BRRWD on stream restorations; and

WHEREAS, the Board, by separate resolution, has established the process for determining RIM easement payment rates; and

WHEREAS, the lands protected in easement under this program are similar in use and will be valued using the same methods as other RIM programs; and

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on November 13, 2023, and unanimously recommends the following provisions.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to:

1. Utilize existing and future appropriated funds of similar purpose to implement the RIM BRRWD Stream Restoration Program.
2. Work with partners to develop program guidelines and outreach efforts.
3. Utilize RIM easement payment rates as established.
4. Conduct landowner sign-ups and select applications using available funding for the RIM BRRWD Stream Habitat Program.
5. Reimburse LGUs for their services using the most current service rates as established.

BE IT FURTHER RESOLVED THAT, this resolution will remain in effect, as funding is available, until material changes in the program warrant an amendment.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____

BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Reinvest in Minnesota (RIM) Reserve Grasslands Program

Meeting Date: December 14, 2023

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information Non-Public Data

Keywords for Electronic Searchability: Grasslands, RIM, Easements

Section/Region: Easements

Contact: John Voz

Prepared by: Sharon Doucette

Reviewed by: RIM Committee(s)

Presented by: John Voz

Time requested: 10 minutes

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

- | | |
|---|--|
| <input type="checkbox"/> None | <input type="checkbox"/> General Fund Budget |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget |
| <input type="checkbox"/> New Policy Requested | <input checked="" type="checkbox"/> Outdoor Heritage Fund Budget |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

The Board is requested to approve the recommendation of the RIM Committee to authorize the RIM Grasslands Program.

LINKS TO ADDITIONAL INFORMATION

SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

ML 2019, 1st Sp. Session, Ch. 2, Art. 1, Sec. 2, subd. 2(g), ML 2020, Ch. 104, Art. 1, Sec. 2, subd. 2(g), ML 2021, First Sp. Session, Ch. 1, Art. 1, Sec. 2, subd. 2(k), ML 2022, Ch. 77, Art. 1, Sec. 2, subd. 2(b) and ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 2(c) all designated funds to “acquire permanent conservation easements and to restore and enhance grassland habitat.” Staff began implementing the RIM Grasslands program in late 2019/early 2020 acting under Resolution 13-108, Reinvest in Minnesota (RIM) Reserve – Grasslands for the Future Pilot Project. After recent review of the previous resolution, it became clear to staff that the current Grasslands program is operating significantly differently than the program in 2013 and a new resolution was warranted for the current version of the Grasslands Program.

This resolution authorizes expenditures of the new funds, previous funds and future funds for the same purpose and implements the program using the process developed with input from local staff.

Board Resolution # 23- _____

Reinvest in Minnesota (RIM) Reserve Grasslands Program

WHEREAS, the Minnesota State Legislature has appropriated Reinvest In Minnesota (RIM) Reserve funds to the Board of Water and Soil Resources (BWSR) from the Outdoor Heritage Fund to acquire and restore permanent RIM conservation easements under Minnesota Statutes, Section 103F.515 to 103F.531; and

WHEREAS, ML 2019, 1st Sp. Session, Ch. 2, Art. 1, Sec. 2, subd. 2(g), ML 2020, Ch. 104, Art. 1, Sec. 2, subd. 2(g), ML 2021, First Sp. Session, Ch. 1, Art. 1, Sec. 2, subd. 2(k), ML 2022, Ch. 77, Art. 1, Sec. 2, subd. 2(b) and ML 2023, Ch. 40, Art. 1, Sec. 2, subd. 2(c) all designated funds to “acquire permanent conservation easements and to restore and enhance grassland habitat”; and,

WHEREAS, future similar funds appropriated by the Minnesota State Legislature must be used consistent with the appropriation language to acquire and restore Reinvest in Minnesota (RIM) conservation easements under the RIM Grasslands Program; and,

WHEREAS, BWSR has identified the need to address the potential loss of grassland habitats from conversion to cropland and accelerate grassland protection efforts not covered by other programs. RIM Grasslands focuses on easement acquisition and restoration on non-crop moderate to high quality grasslands and remnant prairies and their associated buffers that can be improved through habitat management; and

WHEREAS, this resolution is intended to replace previously approved BWSR Board resolution 13-108 RIM Reserve – Grasslands for the Future Pilot Project; and

WHEREAS, the Board, by separate resolution, has established the process for determining RIM “Standard Easement Payment Rates”; and

WHEREAS, the RIM Reserve Conservation Easement Program is administered by BWSR in cooperation with local Soil and Water Conservation Districts (SWCDs) under Joint Powers Agreements; and

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on November 13, 2023, and unanimously recommends the following provisions.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to:

1. Utilize existing and future appropriated funds of similar purpose to implement the RIM Grasslands Program.
2. Work with partners on program guidelines and outreach efforts.
3. Utilize RIM easement payment rates as established for “Standard Easement Payment Rates”.
4. Conduct landowner sign-ups and select applications using available funding for the RIM Grasslands Program.
5. Reimburse SWCDs for their services using the most current service rates as established.

BE IT FURTHER RESOLVED THAT, Board Resolution 13-108 is replaced with this resolution.

BE IT FURTHER RESOLVED THAT, this resolution will remain in effect, as funding is available, until material changes in the program warrant an amendment.

Dated at Saint Paul, Minnesota this 14th day of December 2023.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair
Board of Water and Soil Resources

Date: _____