

**BOARD OF WATER AND SOIL RESOURCES
SUPERIOR SHORES RESORT & CONFERENCE CENTER
1521 SUPERIOR SHORES DRIVE
TWO HARBORS, MN 55616
THURSDAY, AUGUST 29, 2013**

BOARD MEMBERS PRESENT:

Joe Collins, Jack Ditmore, Chris Elvrum, MDH; Rebecca Flood, MPCA; Christy Jo Fogarty, Paul Langseth, Tom Landwehr, DNR; Tom Loveall, Brian Napstad, Judy Ohly, Tom Schulz, Rob Sip, MDA; Steve Sunderland, Gene Tiedemann, Gerald VanAmburg

BOARD MEMBERS ABSENT:

Sandy Hooker
Faye Sleeper, MES

STAFF PRESENT:

Mary Jo Anderson, Mary Jo Flemming, Ryan Hughes, John Jaschke, Al Kean, Jen Maleitzke, Bill Penning, Mary Peterson, Ken Powell, Ron Shelito, Dave Weirens, Wayne Zellmer

OTHERS:

LeAnn Buck, MASWCD
Wayne Seidel, Lake County SWCD
Dan Schutte, Lake County SWCD
Jennifer Thiemann, Lake County SWCD
Ann Thompson, Lake County SWCD
Karen Tucker, Lake County SWCD
Phillip Goutermont, Lake County SWCD
Derrick Passe, Lake County SWCD

CALL MEETING TO ORDER - Chair Napstad called the meeting to order at 8:30 a.m.

PLEDGE OF ALLEGIANCE

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13-53 **ADOPTION OF AGENDA** – Moved by Rebecca Flood, seconded by Christy Jo Fogarty, to adopt the agenda as presented. ***Motion passed on a voice.***

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13-53 **MINUTES OF JUNE 26, 2013 BOARD MEETING** – Moved by Judy Ohly, seconded by Jack Ditmore, to approve the minutes of June 26, 2013, as circulated. ***Motion passed on a voice vote.***

CONFLICT OF INTEREST DECLARATION – Chair Napstad explained that the conflict of interest declaration process is being used today on the Feedlot Water Quality Cost Share Grants Program Authorization. The Conflict of Interest Declaration forms need to be submitted.

RECOGNITION OF WAYNE SEIDEL, LAKE COUNTY SWCD – John Jaschke acknowledged Wayne Seidel, Lake County SWCD; recognizing his great career efforts in northeastern Minnesota for implementation of detention basin and erosion control projects, forest management, stream bank stabilization, storm water planning, rain gardens, and mentoring.

Phillip Goutermont, on behalf of Lake County SWCD, presented Wayne with an engraved rock for his dedication to Lake County. Chair Napstad thanked Lake County SWCD staff for the great tour yesterday.

REPORTS

Chair's Report – Brian Napstad reported that the EQB meeting in July was cancelled. Chair Napstad announced that Will Seuffert was recently hired as executive director of EQB.

Chair Napstad stated that Aitkin County is in the process of establishing a Lake Improvement District (LID). He affirmed the complicated rules in statute for the LID establishment process. He noted a referendum, a public hearing for the special taxing district, and the need for guidance as the process moves forward.

Administrative Advisory Committee (AAC) – Chair Napstad reported that the AAC did not meet this morning, no report.

Executive Director's Report – John Jaschke thanked BWSR staff and Lake County SWCD for their efforts in planning the tour yesterday. John reviewed information in board members packets.

John stated that BWSR is working with the Department of Agriculture and a pilot group regarding the agricultural water certification program. John reported that the One Watershed One Plan (1W1P) meetings are being held statewide. John stated that the Public Relations, Oversight, and Strategic Planning Committee will be developing guiding principles for the 1W1P.

LAKE COUNTY SWCD TO ADDRESS THE BOARD – Dan Schutte, Lake County SWCD Outreach Coordinator, thanked the BWSR Board for coming to Lake County and expressed

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gratitude to BWSR for providing funding allocations to Lake County SWCD. Dan stated that the accomplishments and achievements in Lake County are due to collaborative efforts. He encouraged getting the word out and educating the public on the effective use of Clean Water Funds and how legacy dollars has provided implementation of many projects, as observed on the tour yesterday. Tom Landwehr stated that next year will be five years since the legacy funds were allocated, good accomplishments and much work done. Tom recommends agencies work together to send a message to local units of government regarding funding opportunities.

Dispute Resolution Committee – Gerald VanAmburg reported that the DRC will attend a training workshop on September 25, immediately following the Board Meeting, regarding the statutory mandated dispute resolution process. All board members are invited to attend the workshop.

Wetlands Committee – Gerald VanAmburg reported that the Wetlands Committee met this morning and discussed two items: 1) A recommendation for approval of staff to look at the selection process of road wetland replacement; on the agenda later today. And, 2) federal approval exemption for utilities. WCA exemption process turned over to the U.S. Army Corps of Engineers regarding a pipeline issue. Gerald stated that this issue will be brought before the Board in October. Gerald asked Tom Landwehr that DNR staff be involved. Tom appointed Doug Norris to represent DNR on this topic. Chair Napstad stated that the Wetlands Committee is addressing the issue and will seek an agreement with agencies for this program.

Public Relations, Oversight & Strategic Planning Committee (PROSP) – Jack Ditmore reported that the PROSP Committee will meet on September 24, the evening prior to the Board meeting. Jack stated that the PROSP Committee will be responsible for developing guiding principles for the 1W1P; this is expected to come before the Board for endorsement in December.

Grants Program & Policy Committee – Paul Langseth reported that the Grants Program & Policy Committee met and has recommendations on the agenda later today.

RIM Reserve Management Planning Committee – Gene Tiedemann reported that RIM Reserve Management Planning Committee met and has recommendations on the agenda later today.

Drainage Work Group – Tom Loveall reported that the Drainage Work Group met on August 8, 2013. Al Kean summarized the topics of discussion at the meeting and the significant challenges of the drainage law. Discussion followed on public information/data privacy issues of drainage authority. The next meeting of the Drainage Work Group is September 12.

COMMITTEE RECOMMENDATIONS

Metro Planning Committee

Bassett Creek WMO Plan Amendment – Mary Peterson reported that a final draft amendment to the Bassett Creek WMO Watershed Management Plan was filed with the Board on June 27, 2013. The draft Order contains a summary of the changes and the reviewing agencies' comments. All comments received during the review process and public hearing were

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addressed and resulted in no revisions to the draft amendment. The Metro Region Committee met on August 12, 2013, and after review of the information recommends approval of the Plan Amendment. Moved by Paul Langseth, seconded by Joe Collins, to approve the Bassett Creek WMO Watershed Management Plan amendment. **Motion passed on a voice vote.**

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13-54

Scott WMO 2013 Plan Amendment – Mary Peterson reported that a final draft amendment to the Scott WMO Watershed Management Plan was filed with the Board on July 5, 2013. No comments were received during the public hearing. The Metro Region Committee met on August 12, 2013, and after review of the information recommends approval of the Plan Amendment. Moved by Joe Collins, seconded by Paul Langseth, to approve the Scott WMO Watershed Management Plan amendment. **Motion passed on a voice vote.**

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13-55

Prior Lake-Spring Lake WD Plan Amendment – Mary Peterson reported that a final draft amendment to the Prior Lake-Spring Lake WD Watershed Management Plan was filed with the Board on June 18, 2013. Numerous comments were received during the review process and at the public hearings which were addressed and resulted in revisions to the draft amendment. The Metro Region Committee met on August 12, 2013, and after review of the information recommends approval of the Plan Amendment. Moved by Joe Collins, seconded by Tom Loveall, to approve the Prior Lake-Spring Lake WD Plan Amendment. **Motion passed on a voice vote.**

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13-56

North Cannon River WMO Watershed Management Plan 2013 – 2023 – Mary Peterson reported that the North Cannon River WMO is a government unit formed through a joint powers agreement signed by eight townships and three small cities in southern Dakota County. The WMO was established in 1983. The Plan Revision (2013-2023) is the 3rd Generation Watershed Management Plan for the WMO. The Plan includes a profile of the watershed's existing environmental conditions, discusses water resource management issues, identifies strategies and policies for each goal, and defines the course of action the organization will follow to address them. The Metro Region Committee met with BWSR staff and local representatives on August 12, 2013, to review and discuss the Plan. The Committee unanimously voted to recommend approval of the Plan. Moved by Joe Collins, seconded by Judy Ohly, to approve the North Cannon River WMO Watershed Management Plan. **Motion passed on a voice vote.**

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13-57

Chisago County Local Water Management Plan Update – Mary Peterson reported that Chisago County has updated their Local Water Management Plan as authorized under Minnesota Statutes, section 103B.301. The Priority Concerns Scoping Document (PCSD) was completed and no changes were recommended. The Plan Update focuses on the priority concerns identified in the PCSD; assesses the priority concerns and sets forth appropriate goals and objectives; and provides an implementation program with targeted and measurable actions, timeline and budget. The Metro Region Committee met on August 12, 2013, and after review of the information recommends approval of the Chisago County Plan Update. Moved by Joe Collins, seconded by Rebecca Flood, to approve the Chisago County Local Water Management Plan Update. **Motion passed on a voice vote.**

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13-58

Coon Creek WD Watershed Management Plan – Mary Peterson reported that the Coon Creek Watershed District (CCWD) was established in 1959 and is located exclusively in Anoka County in the north-central portion of the Minneapolis – St. Paul seven county metropolitan areas. The Plan is the third generation plan required by the Metropolitan Surface Water Management Act (M.S. 103B) and the fourth required under the Watershed Act (M.S. 103D). The Metro Region Committee met with BWSR staff and local representatives on August 12, 2013 to review and discuss the Plan. The Committee unanimously voted to recommend approval of the Plan. Moved by Joe Collins, seconded by Gerald VanAmburg, to approve the Coon Creek WD Watershed Management Plan. Gerald stated that adaptation to flooding is important; Board needs to send the message. Discussion followed. Rob Sip stated that agencies should be in agreement, BWSR’s regional planning committees are a good start. **Motion passed on a voice vote.**

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13-59

Chair Napstad called for a break in the meeting at 10:20 AM. The meeting reconvened at 10:43 a.m.

Grants Program & Policy Committee

Erosion Control and Water Management Program Policy Amendments – Dave Weirens reported that following several rounds of discussion by staff and the Grants Program and Policy Committee; amendments to the Erosion Control and Water Management Program Policy were presented for Board consideration. The proposed changes are the result of Board discussion when the Policy was originally adopted on October 24, 2012, and to reflect appropriation and statutory changes enacted following the 2013 legislative session. Moved by Paul Langseth, seconded by Christy Jo Fogarty, to approve the Erosion Control and Water Management Program Policy Amendments as presented.

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Jack Ditmore recommended a change under 1.0 Purpose: page 2, the last sentence – eliminate ‘The limitation on; and remove and’. The sentence reads; *The use of cost-sharing funds for technical and administrative expenses is governed as provided in 3.1 of this policy.* Dave recommends a change under 3.1 Technical and Administrative (TA) Expense. The first sentence now reads: “*The BWSR Board establishes the amount allowed for TA expenses to be twenty percent (20%) of the total grant.*”

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13-60

Moved Paul Langseth, seconded by Christy Jo Fogarty, to approve the amendments to 1.0 and 3.1 as presented above. **Motion passed on a voice vote.**

13-61

Chair Napstad called for the vote on the original policy amendments. **Motion passed on a voice vote.**

FY2014 Clean Water Fund and Competitive Grants Program Policy and Request for Proposals – Dave reported that BWSR has been appropriated Clean Water Funds to make grants to local governments to address water quality needs. The FY 2014 Clean Water Fund Competitive Grants Request for Proposal (RFP) was distributed. The Minnesota Departments of Agriculture and Health are contributing funds to this grant program. BWSR staff are proposing to package these funds into a single request for proposals that will allow local governments to apply for funds to address water quality priorities that are identified in their local water

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management plan. Tom Loveall asked that clarification of drainage authorities be included in the process. Rob Sip asked that and/or infiltration be included in 3.0 Eligible Activities. Dave reviewed the RFP general information and the resolution for policy and RFPs.

** Moved by Paul Langseth, seconded by Christy Jo Fogarty, to 1) authorize staff to finalize, distribute and promote an RFP for the FY2014 Clean Water Fund Competitive Grants Program consistent with the provisions of appropriations enacted in 2013, Minn Stat. 103B.3369 and this Board resolution; and 2) adopts the attached FY2014 Clean Water Fund Competitive Grants Policy. Discussion followed. John Jaschke explained a proposed amendment to 3.0 Eligible Activities, and recommends the first sentence read, "*The primary purpose of activities funded with grants associated with the Clean Water Fund is to restore, protect and enhance water quality.*" Also, under 3.3 Project Support, the first sentence on page 5, include '*Eligible activities include* at the beginning of the sentence.

** Moved by Chris Elvrum, seconded by Rob Sip to approve the amendment as presented above.
13-62 **Motion passed on a voice vote.** Discussion followed.

13-63 Chair Napstad called for the vote on the original motion for approval of the Resolution. **Motion passed on the voice vote.**

Cooperative Weed Management Area Program Authorization – Wayne Zellmer reported that approval of the FY2014 and FY2015 Cooperative Weed Management Area (CWMA) Program is requested. The Board was appropriated \$100,000 in each year of the biennium of cost share grant funds for cooperative weed management grants and to restore native plants in selected invasive management sites by providing local native seeds to landowners for implementation. Staff have developed a proposal to make these funds available to qualified cooperative weed management groups. Wayne reported that the Grants Program & Policy Committee

** recommends approval. Moved by Paul Langseth, seconded by Christy Jo Fogarty, to authorize staff to finalize, distribute and promote a Request for Proposal (RFP) for the Cooperative Weed Management Area Grant Program consistent with the appropriations enacted in 2013. **Motion passed on a voice vote.**
13-64

CONFLICT OF INTEREST DECLARATION

Chair Napstad 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."

Chair Napstad stated that board members have submitted their completed Conflict of Interest Declaration forms. The Conflict of Interest Declaration documents will be filed for the grant decision item. All board members are eligible to vote.

Feedlot Water Quality Cost Share Grants Program Authorization – Dave Weirens reported that BWSR was appropriated \$260,000 in each year of the FY2014-15 biennium for "feedlot water quality grants for feedlots under 300 animal units in areas where there are impaired waters". Staff have developed a proposal to make these funds available for projects proposed

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13-65 ** during the FY2013 Clean Water Fund Competitive Grants application period. It was noted that the third WHEREAS be deleted as it was inadvertently added to this resolution and does not pertain to the subject matter. Moved by Paul Langseth, seconded by Rebecca Flood, to delete the third WHEREAS, and authorize staff to award Feedlot Water Quality Cost Share funds to projects consistent with the appropriations enacted in 2013. Discussion followed. **Motion passed on a voice vote.**

13-66 ** **Disaster Recovery Assistance Program Policy (DRAP)** – Wayne Zellmer reported that disasters and emergency legislative funding occur frequently and usually unpredictably. Policy (and guidance) will provide BWSR staff and LGUs the needed implementation information and related recovery processes, of BWSR and other state and federal assistance providers. Wayne summarized the policy of the Disaster Recovery Assistance Program. The Grants Program and Policy Committee recommends approval of the Disaster Recovery Assistance Program Policy. Moved by Paul Langseth, seconded by Joe Collins, to approve the Disaster Recovery Assistant Program Policy and authorizes the executive director to activate the DRAP Policy in the event of a disaster. Discussion followed. **Motion passed on a voice vote.**

Wetland Committee

13-67 ** **2013 Local Road Wetland Replacement Program Project Selection Process** – Ken Powell reported that the Wetland Committee met this morning. BWSR staff and the BWSR Wetland Committee recommend approval to pursue projects selected and identified through the 2013 easement sign-up and request for proposal solicitation process. Moved by Gerald VanAmburg, seconded by Jack Ditmore, to approve the Local Road Wetland Replacement Program Project Selection Process authorizing staff to pursue and procure contracts and agreements with landowners, project proposers, and local partners for the projects resulting from the easement sign-up and RFP process conducted in 2013. **Motion passed on a voice vote.**

RIM Reserve Management Planning Committee

13-68 ** **RIM/WRP Payment Rate Adjustment 2010-2012** – Bill Penning reported that the RIM Reserve Management and Planning Committee met on August 27, 2013, and recommends approval to apply RIM-WRP Partnership payment rates authorized via Resolution 13-36 to currently funded 2010-2012 RIM-WRP applications that have not closed, subject to the following factors: 1) Staff will develop and implement ineligibility criteria for applications where the delayed easement closing has not been primarily caused by NRCS or BWSR; and 2) The payment rates set in this resolution are supplemental to Resolutions 10-27, 11-19 and 11-79. Moved by Gene Tiedemann, seconded by Paul Langseth, to authorize as presented, the 2013 RIM-WRP partnership easement payment rates be applied to RIM-WRP projects from 2010-2012 that have not closed. Discussion followed. **Motion passed on a voice vote.**

Easement Tax Valuation Fact Sheet – Bill Penning presented the RIM easements and property tax valuation fact sheet for information, as defined by the state tax assessor. Bill explained that he and Sarah Strommen will be meeting with the Department of Revenue on August 30, 2013 to review the statute language for clarification and will be working with expertise on research of assessment and valuation of property, information will be received before the upcoming legislative session. Discussion followed. John Jaschke stated that BWSR staff are in the exploration phase, this may be brought to the Board for action in the future.

AGENCY REPORTS

Minnesota Department of Agriculture (MDA) – Rob Sip invited board members to attend the “Preparing Minnesota for Climate Change: A Conference on Climate Adaptation”. Rob reported that MDA’s Ag Drainage Field Days are coming up; Jen Maleitzke will send information to board members. Rob requested that Matt Wohlman provide the Board with an update in the near future on the agricultural water certification program.

Minnesota Department of Natural Resources (DNR) – Tom Landwehr reported that DNR is working with BWSR and PCA on a Clean Water Roadmap - implementation of Clean Water Funds; with a goal having an initial document by November. Tom reported that he and John Jaschke will testify before the Lessard Sams Outdoor Heritage Council (LSOHC) on September 4, to provide an overview of the coordinated approach to the prairie plan, RIM easements and acquisition of prairies. Tom reported that new legislation, statutory permit process for silica sand is in place, ready to deliver, no applications received to date.

Minnesota Pollution Control Agency (MPCA) – Rebecca Flood reported that MPCA is host to the EPA Hypoxia Task Force meetings on September 23-25.

UPCOMING MEETINGS

Next BWSR Board Meeting – September 25, St. Paul

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13-69 Moved by Judy Ohly, seconded by Paul Langseth, to adjourn the meeting at 1:00 PM. **Motion passed on a voice vote.**

Respectfully submitted,



Brian Napstad
Chair