BOARD OF WATER AND SOIL RESOURCES

Board Order # 25-21

Reinvest in Minnesota (RIM) Reserve Drinking Water Program

WHEREAS, the Minnesota State Legislature has established the program to acquire RIM conservation easements under Minnesota Statutes, Sections 103F.515 to 103F.531 to restore and protect land and water resources; and,

WHEREAS the Board has authority under Minnesota Statutes Section 103B.101 to award grants and contracts to accomplish water and related land resources management; and,

WHEREAS, ML 2024 Chapter 106, Article 2, Section 6 (e) designates funds "for conservation easements acquired under Minnesota Statutes, sections 103F.501 to 103F.535, or for grants or contracts to local units of government or Tribal governments, including for fee title acquisition or for long-term protection of groundwater supply sources. Consideration must be given to drinking water supply management areas and alternative management tools in the Department of Agriculture *Minnesota Nitrogen Fertilizer Management Plan*, including using low-nitrogen cropping systems or implementing nitrogen fertilizer best management practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring conservation contracts"; and,

WHEREAS, future funds may become available to acquire Reinvest in Minnesota (RIM) conservation easements and enter into agreements under the RIM Drinking Water Program; and,

WHEREAS, drinking water protection can only be accomplished on specific and limited parcels of lands within drinking water supply management areas; and,

WHEREAS, lands within priority areas for drinking water protection may have high crop production rates and higher than average estimated market value, requiring higher landowner compensation than rates established for other RIM programs that are targeted to less productive agricultural lands; and,

WHEREAS, protection and restoration of drinking water at its source is a long-term and effective mechanism to provide clean drinking water; and,

WHEREAS, resolutions 13-107, 19-34, 20-13, 21-55 authorized the RIM Wellhead Protection Initiative and Wellhead Protection Partner Grant Pilot program and will be replaced by this order; and,

WHEREAS, the Board of Water and Soil Resources RIM Reserve Committee met on March 25, 2025 and recommends the following provisions.

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

- 1. Utilize existing and future designated funds for similar purpose to implement the RIM Drinking Water Program.
- 2. Establish payment rates for perpetual and limited-term easements and for fee title acquisitions via agreements with other organizations.
- 3. Conduct Request for Proposals and establish agreements for partner efforts, including fee title acquisition.

BE IT FURTHER RESOLVED, resolutions 13-107, 19-34, 20-13, 21-55 are replaced by this order for any unobligated funds that remain; and

BE IT FURTHER RESOLVED THAT, the Executive Director is delegated to approve Drinking Water Protection Partner Grants consistent with this order.

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

Dated at Saint Paul, Minnesota this 23rd day of April, 2025.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Date: 1/23/2020

Todd Holman, Chair Board of Water and Soil Resources

BOARD OF WATER AND SOIL RESOURCES

BOARD ORDER

Reinvest in Minnesota (RIM) Easement Payment Rates

PURPOSE

Authorize the Board of Water and Soil Resources (BWSR) staff to establish easement payment rates for RIM Reserve Conservation Easement Programs.

RECITALS / FINDINGS OF FACT

- The Minnesota State Legislature has appropriated Reinvest in Minnesota (RIM) Reserve funds to BWSR to acquire and restore permanent RIM conservation easements under Minnesota Statutes, Sections 103F.515 to 103F.535.
- 2. Minnesota Statutes, Section 103F.515, Subdivision 6, provides the Board with authority to set payment rates for RIM conservation easements and directs the Board to consider market factors, including the township average equalized estimated market value of property, to establish payment rates.
- 3. The RIM Reserve Conservation Easement Program is administered by BWSR in cooperation with local Soil and Water Conservation Districts (SWCDs) and other Local Government Units (LGUs) under Master Joint Powers Agreements.
- 4. Past Board Resolutions authorized BWSR staff to use two easement payment structures, township average value and tax-assessed value, to serve as the basis in establishing payment rates for RIM easement programs.
- 5. BWSR has established various easement programs and seeks to simplify available programs, distribute opportunities, maintain competitive payments in changing market conditions, incentivize enrollment of priority land, and provide important public benefits.
- 6. There are several past Board Resolutions with payment rate implications some Resolutions have been superseded, some were based on appropriations that have expired, and some are still active. Exhibit A includes previous Board Resolutions relating to RIM payment rates.
- 7. Consolidating the authority for staff to set RIM conservation easement payment rates will promote clarity and efficiency and further the goals of the Program.

ORDER

NOW THEREFORE, the Board hereby authorizes BWSR staff, with Executive Director approval, to:

- 1. Establish market-based RIM easement payment rates that consider the unique aspects of individual RIM programs by using relevant and available data from the Minnesota Department of Revenue, local government assessors, and other property valuation sources.
- 2. Review, update, and publish easement payment rates on a regular schedule.

IT IS FURTHER ORDERED that:

- 3. Upon publication of a payment rate pursuant to this Order, the previously established rate is superseded by the new published rate.
- 4. This Order establishes the method for determining easement payment rates prospectively, and any other method previously used for establishing payment rate is superseded by this Order.

Dated at St. Paul, Minnesota, this April 23, 2025.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair Board of Water and Soil Resources

Date: 1/23/2015

EXHIBIT A

Past Board resolutions that establish easement payment rates:

- a. 13-109: Reinvest in Minnesota (RIM) Reserve Standard Easement Payment Rates
- b. 17-035: Conservation Reserve Enhancement Program (CREP) Present Value and Roundout Payments
- c. 17-103: Reinvest in Minnesota (RIM) Reserve Standard Easement Payment Rates: Northern Forest Region
- d. 18-006: Reinvest in Minnesota (RIM) Reserve Camp Ripley Compatible Use Buffer (ACUB) Program Rates
- e. 18-037: MN Conservation Reserve Enhancement Program (MN CREP) 2018 Adjustments

Additional past Board resolutions with easement payment rates implications include:

- f. 06-055: Approve RIM Reserve Payment Rate Increase for CREP II
- g. 09-085: Establish Rates, Eligibility and Wellhead Protection Area Selection for Clean Water Funded Permanent RIM Reserve Wellhead Protection Easement Program
- h. 09-86: Establish Rates, Eligibility, and Sign-Up Procedures for Clean Water Funded Permanent RIM Reserve Riparian Buffer Conservation Easement Program
- i. 10-027: Establish Rates, Eligibility, and Sign-up Procedures for the 2010 RIM WRP Partnership Program
- j. 11-019: Reinvest in Minnesota (RIM) Reserve Wetlands Reserve Program (RIM-WRP) Partnership: Payment Rates & 2011 Sign-Up
- k. 11-079: RIM Reserve and RIM Reserve Wetland Reserve Program (RIM-WRP) Partnership Payment Rates RECINDS 11-019
- I. 12-060: RIM Reserve Clean Water Fund Wellhead Protection Initiative Payment Rate Revision
- m. 13-036: Reinvest in Minnesota (RIM) Reserve Wetlands Reserve Program (RIM-WRP) Partnership Program FY13 Easement Payment Rates
- n. 13-068: Reinvest in Minnesota (RIM) Reserve Wetlands Reserve Program (RIM-WRP) Rate Adjustment 2010-2012
- o. 13-107 (portion): Reinvest in Minnesota (RIM) Reserve Camp Ripley Army Compatible Use Buffer (ACUB) Program
- p. 13-107 (portion): Reinvest in Minnesota (RIM) Reserve Shoreland Protection on Wild Rice Lakes
- q. 13-107 (portion): RIM Reserve- Wellhead Protection Initiative
- r. 15-038: Method for Establishing Native Prairie Bank Easement Payment Rates
- s. 16-037: Reinvest in Minnesota (RIM) Reserve Pine River Watershed Protection
- t. 16-042: Method for Establishing Native Prairie Bank Easement Payment Rates
- u. 17-104: Reinvest in Minnesota (RIM) Reserve Crow Wing River Watershed Protection
- v. 25-017: Minnesota Conservation Reserve Enhancement Program Extension and Expansion



BOARD ORDER

Revision of the Nonpoint Priority Funding Plan (NPFP)

PURPOSE

Approve the 2025 Nonpoint Priority Funding Plan (NPFP)

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 Minn. Stat. §114D.50, Subd. 3a., which states:
 - (a) 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 WRAPSs, 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.
 - (b) ...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.
- B. The Board adopted the NPFP in 2014.
- C. 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.
- D. In 2019, the Minnesota Legislature passed a package of statutory policy changes in Minnesota Statutes Chapters 103B and 114D referred to as "coordinated watershed management," which included the addition of Minn. Stat. §114D.47 Nonpoint Funding Alternative. The 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.

- E. 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.
- F. As authorized, staff developed a framework consisting of a) the "coordinated watershed management" approach and other changes to Minnesota 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.

- G. In December 2021, the Board approved Board Order 21-60, authorizing staff to "revise the NPFP with alternative content based on the framework" set forth in paragraph F.
- H. In December 2023, the Board approved Board Order 23-65 which rescinded items #2 and #3 of Board Order 21-60 and directed staff to revise the NFP consistent with Minn. Stat. §114D.47.
- I. Minn. Stat. §103C.405 directs the board to prepare a program plan to accomplish its duties and review and revise the plan at intervals it deems appropriate.
- J. In 2015, the Board approved a transition plan for watershed-based planning and implementation according to Minn. Stat. §103B.801 and all watershed planning boundaries identified in the plan are now participating in the One Watershed, One Plan program.
- K. The Water Management and Strategic Planning Committee met on April 7th and recommended the 2025 NPFP to the full board for approval.

ORDER

The Board hereby:

- 1. Approves the 2025 NPFP.
- 2. Replaces the program plan developed under 103C.405 with the 2025 NPFP and Comprehensive Watershed Management Plans developed under 103B.801.

Dated at St. Paul, Minnesota, this April 23, 2025.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

Todd Holman, Chair Board of Water and Soil Resources

Date: 4/23/2025