

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD N.
LOWER LEVEL CONFERENCE ROOM
ST. PAUL, MINNESOTA 55155
WEDNESDAY, MARCH 28, 2012**

BOARD MEMBERS PRESENT:

Bob Burandt, Chris Elvrum, MDH; Quentin Fairbanks, Rebecca Flood, PCA; Christy Jo Fogarty, Todd Foster, Sandy Hooker, Paul Langseth, Tom Loveall, Keith Mykleseth, Brian Napstad, Dave Schad, DNR; Faye Sleeper, MES; Louise Smallidge, Gene Tiedemann, LuAnn Tolliver, Gerald Van Amburg, Matt Wohlman, MDA

BOARD MEMBERS ABSENT:

John Meyer

STAFF PRESENT:

Mary Jo Anderson, Don Buckhout, Travis Germundson, Jim Haertel, John Jaschke, Al Kean, Melissa Lewis, Jeff Nielsen, Dave Weirens

OTHERS PRESENT:

Jim Leach, Josh Eash, Gregg Knutsen, U.S. Fish & Wildlife Service
John Linc Stine and Suzanne Rhees, MPCA
LeAnn Buck, MASWCD
Steve Sunderland

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Chair Napstad called the meeting to order at 9:05 a.m.

PLEDGE OF ALLEGIANCE

**** 12-18 ADOPTION OF AGENDA** – Moved by Quentin Fairbanks, seconded by Matt Wohlman, to adopt the agenda as presented. Motion passed on a voice vote.

**** 12-19 MINUTES OF JANUARY 25, 2012 BOARD MEETING** – Moved by Paul Langseth, seconded by Keith Mykleseth, to approve the minutes of January 25, 2012, as circulated. Motion passed on a voice vote.

REPORTS

Chair's Report – Brian Napstad reported that he appointed new Committee chairs: Jerry Van Amburg is chair of the Dispute Resolution Committee and the Wetlands Committee; Paul Langseth is chair of the Grants Program and Policy Committee; and Gene Tiedemann is chair of the RIM Reserve Management Planning Committee. Chair Napstad thanked them for serving as chair of the Committees.

Chair Napstad attended the EQB meeting last week; discussions continue regarding the Governor's Executive Order on environment and natural resources permitting process. BWSR and other agencies are providing staff to work on the process and products which are scheduled to be completed by September. Chair Napstad stated that he was asked by Pine County to discuss recommended modifications to the Wetland Conservation Act. Chair Napstad attended the AMC legislative meeting last week in St. Paul. Julie Blackburn attended and presented the BWSR legislative update.

Chair Napstad stated that BWSR board members have received the annual evaluation form for the executive director's review. Bill Eisele is collecting the evaluations; Chair Napstad and Vice-Chair Van Amburg will conduct the executive director's review and convey results at an upcoming Board meeting. Chair Napstad announced that the Governor has made new appointments to the Board. Sandy Hooker has been reappointed as township representative; Jack Ditmore appointed as citizen member; Steve Sunderland appointed as SWCD representative; and Joseph Collins appointed as watershed representative. Chair Napstad will be making committee assignments. He asked board members to let him know if they have an interest in serving on a specific committee.

Administrative Advisory Committee (AAC) – Brian Napstad reported that the AAC met this morning with newly appointed committee members Paul Langseth, Gene Tiedemann, and Jerry Van Amburg. Items discussed will be on the agenda later in the meeting.

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Executive Director' Report – John Jaschke reported that the AAC discussed the committee roster changes; PRAP grants; and the revised Stockton-Rollingstone-MN City WD plan.

John provided a legislative update on bonding, policy, and legacy funding. John stated that former Senator Gary DeCramer passed away unexpectedly of a heart attack.

John reported that he was in Washington, D.C., last week regarding conservation efforts in the Farm Bill. John stated that USDA NRCS Chief Dave White is in Minnesota this week. Chief White is meeting this afternoon with the “Minnesota Grassland Conservation Roundtable”; and tomorrow at the “Precision Conservation: Technology Redefining Local Water Quality Practices” conference. John also reported that NACD and USDA NRCS is entering into Field Offices of the Future – meetings with BWSR and MASWCD to assess how things work and how things might be approached in new ways.

John reviewed information in board members packets. John announced that Angie Becker Kudelka (BWSR Training Coordinator) has been hired to fill the new BWSR position of Organizational Effectiveness Director. BWSR will be hiring a new Training Coordinator and a Communications and Public Relations Coordinator. John stated that new staff will be introduced at an upcoming Board meeting. John will be on vacation next week; Julie Blackburn, Assistant Director, will serve as Acting Director March 30-April 5 and Steve Woods will serve as Acting Director April 6-8.

Chair Napstad suggested having a presentation on Minnesota Filter/mining filings at an upcoming Board meeting. John Jaschke will work with Faye Sleeper, MES; and Rebecca Flood, MPCA; to schedule a presentation at a future meeting.

Dispute Resolution Committee – Travis Germundson reported that there are currently 13 appeals pending; one new appeal of no-loss determination filed in Hennepin County. Travis thanked LuAnn Tolliver and Louise Smallidge for their service on the Dispute Resolution Committee.

Wetlands Committee – LuAnn Tolliver stated that the Wetlands Committee will meet in April. Gerald Van Amburg stated that he will work with staff on scheduling the meeting. John Jaschke stated that rules and local government road replacement issues will be on the Wetlands Committee agenda in the near future.

Grants Program & Policy Committee – Paul Langseth reported that the Grants Program & Policy Committee meets today immediately following adjournment of the Board meeting.

Public Relations, Outreach & Strategic Planning Committee – Keith Mykleseth reported that the Public Relations, Outreach & Strategic Planning Committee met in January; a meeting is tentatively scheduled for April.

Drainage Work Group – Tom Loveall and Al Kean reported that the Drainage Work Group met on February 17, 2012; John Jaschke, Don Baloun, NRCS; and Representative Torkelson attended to discuss federal and state efforts to coordinate a drainage water management initiative. Chair Napstad appreciated Al's attendance at the AMC Environment and Natural Resources Policy Committee meeting on March 2. Al stated that he appreciated the opportunity attend.

Dave Schad, DNR, entered the meeting at 9:45 a.m.

John Jaschke reported that BWSR recently hired Tim Dykstal to fill the new Fiscal Compliance Director position; Tim will start in mid-April. John also reported that the BWSR St. Paul office is expanding; the Metro Regional Office and IT staff will move to space just west of the main BWSR entrance.

COMMITTEE RECOMMENDATIONS

Metro Water Planning Committee

Begin Rulemaking for Metropolitan Area Local Water Management Rule Revision -

Jim Haertel reported that the Metropolitan Area Local Water Management Rule Revision, Minnesota Rules Chapter 8410, is at a point where the formal rulemaking process can begin. The Rule Advisory Committee has completed its work and a draft revised rule has been developed. The next step would be to publish and mail the Request for Comments. In August, or later, the draft revised rule and SONAR would come before the Board for a decision. At this point the only item before the Board is to begin the formal rulemaking process. The Metro Water Planning Committee met on March 8, 2012, and unanimously voted to recommend beginning the rulemaking process for Chapter 8410. Moved by Bob Burandt, seconded by Rebecca Flood, to adopt the Metro Water Planning Committee's recommendation to authorize the initiation of the rulemaking process for the revision of Minnesota Rules Chapter 8410. Discussion followed. Motion passed on a voice vote.

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12-20

Public Relations, Outreach & Strategic Planning Committee

Performance Review and Assistance Program (PRAP) and Training Assistance Grants to LGUs

– Don Buckhout reported that the Board is requested to authorize the use some of the cost-share rollover dollars that currently fund the PRAP program to be used for grants or contracts to local government units with organizational development, training or critical assistance needs. In most cases the money will buy professional consultant services or training to help LGUs address operational needs or issues

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identified by BWSR staff during a PRAP or other assessment. Don explained that the AAC reviewed this and recommends FY12-13 Board authorization for PRAP and Training Assistance Grants to LGUs, renewed annually in future years. The individual grants or contracts under this authorization will be awarded by the Executive Director to expend up to \$10,000 per grant or contract for specialized assistance to local government water management entities to address operational or service delivery problems.

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12-21 Moved by Quentin Fairbanks, seconded by Paul Langseth, to approve the FY12-13 Board authorization for PRAP and Training Assistance Grants to LGUs; that BWSR requires all such funds awarded be cost-shared by the grantee at a percentage dependent on the size of the grant and determined by the Executive Director; and the aggregate amount of expenditures for PRAP and awards are consistent with any appropriation conditions set by the legislature. Discussion followed. Todd Foster asked that board members receive notice from the Executive Director when a grant is awarded, as an information item when issues arise. Motion passed on a voice vote.

Southern Water Planning Committee

Belle Creek Watershed District (BCWD) Watershed Management Plan – Paul Langseth reported that the BCWD was established by BWSR Board Order on November 14, 1968. Minnesota Statutes 103D.401 states that a board of watershed district managers must adopt a plan for any or all reasons for which the district may be established. The BCWD has completed the planning process for its proposed ten-year plan through December 31, 2021. The Southern Water Planning Committee met with representatives of the BCWD on February 9, 2012, and unanimously voted to

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12-22 recommend approval of the Plan. Moved by Paul Langseth, seconded by Tom Loveall, to approve the Belle Creek Watershed District Watershed Management Plan. Motion passed on a voice vote.

Bear Valley Watershed District (BVWD) Watershed Management Plan – Paul Langseth reported that the BVWD was established by BWSR Board Order on April 27, 1961. The BVWD has completed the planning process for its proposed ten-year plan through December 31, 2021. The Southern Water Planning Committee met with representatives of the BVWD on February 9, 2012; the Committee unanimously voted

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12-23 to recommend approval of the Plan. Moved by Paul Langseth, seconded by Keith Mykleseth, to approve the Bear Valley Watershed District Watershed Management Plan. Motion passed on a voice vote.

Heron Lake Watershed District (HLWD) Watershed Management Plan – Jeff Nielsen reported that the Commissioners in Nobles, Jackson, Murray, and Cottonwood Counties submitted a petition requesting the establishment of the Middle Des Moines

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Watershed District on April 2, 1969. The petition was approved on February 25, 1970. In October of 1995, the name of the district was changed to the Heron Lake Watershed District. The HLWD has completed the planning process for its proposed ten-year plan through December 31, 2021. The HLWD distributed its draft Watershed Management Plan as required for final review and comment. Comments received were considered by the HLWD, the plan was revised as needed, and submitted to BWSR for approval. BWSR provided proper Notice of Filing for the plan. This notice provided an invitation to submit written comments or a written request for a hearing if opposed to the plan. Written comments and a request for hearing were received by BWSR. On October 13, 2011, the Southern Water Planning Committee held a public hearing and received comments in opposition to the Plan and the creation of a Water Management District from Jackson County and watershed residents. The Committee met on Thursday, November 3, 2011, and took no action, based on HLWD request to postpone any action on the Plan until the public had been provided the necessary information. On November 28, 2011, HLWD conducted an Open House on the Plan. A plan revision was drafted to impose a maximum per parcel charge of \$24. The Committee met again on February 9, 2012. Clarification was provided that 103D.729 requires that projects are initiated and ordered to be implemented through a formal hearing and adoption process. Although comments in opposition were received, the defined need for projects is evident through impaired waters in the watershed and flooding concerns that still need to be addressed. After discussion and based on the entire record, the Southern Water Planning Committee made a motion recommending approval of the revised Heron Lake Watershed District Water Management Plan.

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12-24 Moved by Paul Langseth, seconded by Tom Loveall, to approve the Heron Lake Watershed District Watershed Management Plan. Discussion followed. Travis Germundson clarified that the statutory requirements of watershed district have been followed. Chair Napstad thanked board members for their respectful discussions on this controversial topic. Motion passed on a voice vote. Jeff Nielsen thanked the Southern Water Planning Committee for their time and efforts on the controversial issues in the plan.

Chair Napstad called for a break in the meeting at 10:50 a.m. The meeting reconvened at 11:05 a.m.

Stockton-Rollingstone-Minnesota City Watershed District (SRMCWD) Watershed Management Plan – Paul Langseth reported that the SRMCWD was established by BWSR Board Order on December 26, 1958. The SRMCWD has completed the planning process for its proposed ten-year plan through December 31, 2021. BWSR provided proper Notice of Filing for the plan. This notice provided an invitation to submit written comments or a written request for a hearing if opposed to the plan. One written comment was received by BWSR but there was not a request for hearing submitted.

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The Southern Water Planning Committee met with representatives of the SRMCWD on February 9, 2012, the Committee unanimously voted to recommend approval of the Plan. Board members received an alternative resolution for review. The Administrative Advisory Committee approved the alternative resolution. The Stockton-Rollingstone-Minnesota City Watershed District approved the alternative resolution and agreed to rework their plan.

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12-25 Moved by Paul Langseth, seconded by Matt Wohlman, to adopt the alternative resolution, the Management Plan for the Stockton-Rollingstone-Minnesota City Watershed District will expire December 31, 2015. Discussion followed. Paul is hopeful that the SRMCWD will work with the county to incorporate their plan into the county plan. Paul stated that this is a benchmark plan to move forward; this plan will come before the Board again. The alternative resolution provides a conditional approval through 2015; allowing the SRMCWD to continue their role and financing of the WD operation for two years and to consider embedding the WD plan with the Winona County Water Plan (which will be updated about the same time). Motion passed on a voice vote. Paul Langseth appreciated Jeff Nielsen's involvement in getting these four plans moving ahead.

Winona County Soil and Water Conservation District (SWCD) Nomination Districts Resolution – Paul Langseth reported that the Winona County SWCD approved a Nomination Districts Resolution on July 13 2011, which proposed to change nomination districts for the Winona County SWCD supervisor seats. The proposed Nomination Districts will provide consistent and equal distribution of township representation in the County. The Southern Water Planning Committee met on February 9, 2012, discussed said Resolution, and unanimously voted to recommend approval of the Winona County SWCD Nomination Districts Resolution. Moved by Paul Langseth, seconded by Sandy Hooker, to approve the Winona County Soil and Water Conservation District Nomination Districts Resolution. Motion passed on a voice vote.

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12-26

NEW BUSINESS

Evaluation of Water Related Programs – John Linc Stine, MPCA Deputy Commissioner, introduced Suzanne Rhees, working part-time at DNR; and part-time at PCA. John Linc Stine explained that Legislation was passed in Special Session 2011 that directs the Pollution Control Agency to accomplish an evaluation of water related programs in conjunction with other water agencies and the University of Minnesota. The legislation began as a rule moratorium but that aspect of the legislation was set aside. John presented an overview of the plans developed thus far for the \$75,000 study and provided some perspective on how the Board and local governments may be best able to contribute. John encouraged board members to contact Suzanne if they are interested in being interviewed and contributing to an idea pool to assist in the process

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to simplify overlap. Chair Napstad asked about starting with a clean slate, and asked how that might work. John stated that a sustainable water management system is complex but is needed; streamlining via a coordinated approach is what this effort is aiming for. Suzanne stated that the disruption of starting over is a challenge. John Linc Stine will provide an update on this topic as they move forward. Chair Napstad thanked John and Suzanne for their presentation.

Amending Board Resolution #11-96: FY 2012 Competitive Grants Program Funding Recommendation – Dave Weirens reported that the Board is requested to amend Resolution #11-96 to address a fund calculation discrepancy and a request by the manager of a funded project. Delaying the project and funding it with FY2013 Clean Water Funds will allow all projects approved for funding in Resolution #11-96 to be implemented as proposed. Moved by Paul Langseth, seconded by Louise Smallidge, to approve the amending Board Resolution #11-96 to remove Project C12-159 from the list of projects funded with FY2012 Clean Water Funds and to instead fund this project with FY2013 Clean Water Funds. Discussion followed. Motion passed on a voice vote.

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12-27

Agassiz National Wildlife Refuge (NWR) Water Quality Study – U.S. Fish & Wildlife Service Jim Leach, Refuge Supervisor; Josh Eash, Regional Hydrologist; and Gregg Knutsen, Wildlife Biologist presented information on the impacts of sedimentation on wildlife habitat at the Agassiz National Wildlife Refuge. Recent water quality studies at Agassiz National Wildlife Refuge have shown substantial sediment loading in Refuge wetlands. Results document more than 1.2 million tons of inorganic sediment have been trapped within the Refuge's largest impoundment. The sediment and excess water are being transported to the Refuge via off-refuge surface drainage ditches. Additionally, this research has determined the majority of incoming sediments are sourced from agricultural runoff within the Thief River Watershed. These accumulated sediments have not only accelerated the wetland aging process but also have negatively impacted the Refuge's ability to manage vegetation and address Refuge priorities for migratory birds and other wildlife.

U.S. Fish and Wildlife Service staff and multiple partners (NRCS, Marshall Co. SWCD, Red Lake Watershed District), are now working with private landowners to implement conservation practices (e.g. grass buffers, side channel inlets), on private lands to reduce future sediment inputs and ultimately improve water quality in the Thief River Watershed. Discussion followed. Jim Leach stated that we need to look at perpetual conservation projects by maintaining easements. Chair Napstad stated that it would be great if the USF&WS could be involved in more partnerships and also endorse improved wetland mitigation. Jim Leach stated that they appreciate the opportunity to be here, and are willing to work together on issues. Chair Napstad thanked Jim Leach, Josh Eash, and Gregg Knutsen for their very informative presentation.

AGENCY REPORTS

Minnesota Department of Agriculture (MDA) – Matthew Wohlman reported that MDA Commissioner Frederickson announced the new Minnesota Agriculture Water Quality Certification Program. Matt stated that candidates are sought for the advisory committee; applications will be taken through April 16.

Minnesota Department of Natural Resources (DNR) – Dave Schad reported that Minnesota’s Game and Fish Fund is in dire condition; projected to be in the red by early July 2013. The Game and Fish Fund supports conservation delivery and impacts infrastructure if fees are eroded. DNR is seeking a hunting and fishing license fee increase this legislative session. Fees cannot be changed without action by the Legislature. It has been 11 years since the last fee increase.

Minnesota Extension Service – Faye Sleeper distributed the “Conservation Reserve Readiness Initiative” for board members’ information. Faye explained that this is a new USDA NRCS funded national training initiative. Board members should contact Faye with questions.

ADVISORY COMMENTS

Minnesota Association of Townships (MAT) – Sandy Hooker reported that Executive Director Dave Fricke is retiring; Gary Peterson has been hired as executive director.

UPCOMING MEETINGS

Chair Napstad stated that the next Board Meeting is April 25, 2012.

Chair Napstad reminded board members to submit the executive director’s evaluation form so he and Vice-Chair Van Amburg can conduct the performance review.

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12-28 Moved by LuAnn Tolliver, seconded by Louise Smallidge, to adjourn the meeting at 1:05 p.m. Motion passed on a voice vote.

Respectfully submitted,



Brian Napstad
Chair