

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD N.
LOWER LEVEL CONFERENCE ROOM
ST. PAUL, MINNESOTA 55155
WEDNESDAY, JANUARY 23, 2013**

BOARD MEMBERS PRESENT:

Bob Burandt, Joe Collins, Jack Ditmore, Chris Elvrum, MDH; Rebecca Flood, MPCA; Christy Jo Fogarty, Sandy Hooker, Paul Langseth, Tom Loveall, Keith Mykleseth, Brian Napstad, Faye Sleeper, MES; Steve Sunderland, Gene Tiedemann, Gerald Van Amburg, Matt Wohlman, MDA

BOARD MEMBERS ABSENT:

Tom Landwehr, DNR

STAFF PRESENT:

Mary Jo Anderson, Don Buckhout, Tim Dykstal, Travis Germundson, Jim Haertel, John Jaschke, Al Kean, Jen Maleitzke, Eric Mohring, Dave Weirens, Steve Woods

Chair Napstad called the meeting to order at 9:10 a.m.

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA – Chair Napstad reported that there is a revision to the agenda; the New Business item Conflict of Interest Presentation will be moved to the first item under New Business. Moved by Sandy Hooker, seconded by Rebecca Flood, to adopt the agenda as revised. Motion passed on a voice vote.

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13-01

MINUTES OF DECEMBER 12, 2012 BOARD MEETING – Moved by Steve Sunderland, seconded by Paul Langseth to approve the minutes of December 12, 2012, as circulated. Motion passed on a voice vote.

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13-02

RECOGNITION OF RETIRING BOARD MEMBER – John Jaschke acknowledged Bob Burandt's state service as a BWSR board member for eight years. John and Chair Napstad presented Bob with a Distinguished Service Award plaque for his dedicated service to Minnesota's water and soil resources from 2005 – 2012. Bob stated that the Board is a great venue to understand and respect others' opinions to get things done. John stated that Bob can continue to serve on the Board until an appointment is made. Chair Napstad thanked Bob for his service and membership on the Board.

REPORTS

Chair's Report – Brian Napstad reported that the Environmental Quality Board (EQB) is hosting an Environmental Congress on March 15 at the Thunderbird Hotel in Bloomington. The Environmental Congress is a one-day summit for state leaders to review the report card findings and discuss the public feedback received at citizen forums held statewide, and begin planning for Minnesota's environmental future. Chair Napstad stated that Governor Dayton has been invited as the keynote speaker, anticipate 300 attendees.

Chair Napstad attended the EQB meeting on January 16. Discussions included the mandatory Environmental Assessment Worksheets (EAW) and Environmental Impact Statements (EIS) out for public comment, feedback is appreciated. The EAW and EIS are published in the biweekly *EQB Monitor*.

Chair Napstad attended the Northern Water Planning Committee meeting on January 9. The Committee recommendations are on the agenda later today.

Chair Napstad stated that he testified before the Senate Environment and Energy Committee on January 17; the Senate Committee unanimously recommended his confirmation as Chair of BWSR; he's hopeful of full confirmation.

Administrative Advisory Committee (AAC) – Chair Napstad reported that the AAC met this morning, discussion included BWSR board member vacancies and the appointments process. John Jaschke will send a notice to board members when appointments are announced. Chair Napstad stated that Committee recommendations were discussed and are on the agenda later today. The AAC discussed the executive director's annual performance evaluation process.

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Staff will send board members the evaluation forms to complete and anonymously submit to Bill Eisele. The performance evaluations will be compiled by the chair and vice-chair and reviewed with the executive director. A supplemental process to get input from some key stakeholders and staff will be added this year. Chair Napstad stated that board members comments are appreciated.

Executive Director's Report – John Jaschke asked that board members submit any changes to their contact information to Mary Jo Anderson. The public information will be posted on the BWSR website. John reviewed information in board members' packets.

John reported that Governor Dayton released his budget plan for the upcoming biennium. BWSR's proposed FY14-15 biennial budget includes:

1. Funding to implement the One Watershed - One Plan initiative
The new investment in One Watershed - One Plan will assist with the transition to a watershed-based approach and work in a concerted fashion with our partner agencies to build and implement the next generation of local water plans.
2. Funding to enhance BWSR's internal controls
The additional investment in BWSR's internal controls is well-timed as we near completion of the eLINK upgrade. This system will allow us to manage local government grant applications and reporting results more efficiently, and additional funds will enhance our capacity to meet new standards for accomplishing the necessary oversight of public funds and programs and to show the benefits accrued.
3. Increased funding in BWSR's Clean Water Fund programs
The continued commitment to BWSR's Clean Water programs includes increases in most of the funding categories. The proposed budget acknowledges demand exceeding the previously available funds, based on the information you submitted through the Biennial Budget Review (BBR) process. Clean Water Fund work will continue to be targeted using the best available scientific assessments, including the revamped effort by the MPCA to move toward the potentially much more useful Watershed Restoration and Protection Strategies (WRAPS), which have the potential to greatly improve on the federally driven TMDL approach.

It is important to note that the Governor's budget does not include inflationary adjustments for FY14-15. Specifics on the Governor's budget proposal can be found on the MMB website <<http://www.mmb.state.mn.us/>>. As the Governor's Budget is considered by the Legislature in the months ahead, Sarah Strommen and John Jaschke will keep board members apprised of future developments through regular updates.

Chair Napstad stated that the One Watershed - One Plan initiative is a challenge and a great opportunity for BWSR, he asked that board members participate.

Dispute Resolution Committee – Travis Germundson reported that there are currently 12 appeals pending; he provided a brief status report on the appeals. John Jaschke mentioned the

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potential changes related to Swampbuster in the next Farm Bill. Chair Napstad thanked Travis for his report.

Grants Program & Policy Committee – Paul Langseth stated that the Grants Program & Policy Committee has not met since November. Paul stated that the Southern Water Planning meeting is scheduled for March 7; he asked Committee members to let Jeff Nielsen know if they are not able to attend.

Public Relations, Outreach & Strategic Planning Committee (PROSP) – Keith Mykleseth stated that the PROSP Committee met last night, the Committee recommendation is on the agenda later today. The next PROSP Committee meeting is scheduled for April 24, 2013; immediately following the Board meeting.

Drainage Work Group (DWG) – Tom Loveall reported that the Drainage Work Group met on December 13, 2012. Topics of discussion included: 1) share information about recent and upcoming drainage presentations and workshops; 2) final discussion of 2012 DWG consensus recommendations for updating drainage law; 3) updates regarding Corps of Engineers proposed regional general permit No. 2; and the DWG plans to meet once during the legislation session, tentatively in mid-February.

COMMITTEE RECOMMENDATIONS

Northern Water Planning Committee

Crow Wing County Priority Concerns Scoping Document – Keith Mykleseth reported that the Northern Water Planning Committee met on January 9, 2013, reviewed the Crow Wing County Priority Concerns Scoping Document and recommends approval. Moved by Keith Mykleseth, seconded by Sandy Hooker, to approve the Crow Wing County Priority Concerns Scoping Document. The state's expectations of the final plan must be sent to Crow Wing County. Chair Napstad stated that Crow Wing County is to be commended for the outstanding process used to select concerns. Keith stated that Crow Wing County is a model for their procedures. Motion passed on a voice vote.

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13-03

Pope County Priority Concerns Scoping Document – Gerald Van Amburg reported that the Northern Water Planning Committee met on January 9, 2013, reviewed the Pope County Priority Concerns Scoping Document, and recommends approval. Moved by Gerald Van Amburg, seconded by Tom Loveall, to approve the Pope County Priority Concerns Scoping Document. The state's expectations for the final plan must be sent to Pope County. Motion passed on a voice vote.

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13-04

Public Relations, Outreach & Strategic Planning Committee

2013 Performance Review and Assistance Program (PRAP) Report to the Legislature –

Don Buckhout reported that the Public Relations, Outreach and Strategic Planning Committee met on January 22, 2013, reviewed the revisions to the PRAP Guiding Principles, and the 2013 PRAP Legislative Report; and recommends approval. Don distributed the revised page ten of the report, and provided an overview of the program conclusions and future direction. Moved by Keith Mykleseth, seconded by Sandy Hooker, to approve the Performance Review and Assistance Program 2013 Report to the Minnesota Legislature for transmittal to the legislature

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and publication on the Board's website, with allowance for any minor editing modifications necessary for publication. Keith stated that the Committee appreciates the comments received. Bob Burandt reported that the Carver SWCD went through PRAP process, it was a good program and very worthwhile. Paul Langseth stated that staff efforts ensure plans are reviewed in a timely manner; this performance review has really helped LGUs complete their work. Motion passed on a voice vote. Chair Napstad thanked the PRAP Committee, and Don for their efforts and work on this; and he also appreciated Jack Ditmore's thorough written comments.

Chair Napstad called for a break in the meeting at 10:38 a.m. The meeting reconvened at 10:55 a.m.

NEW BUSINESS

Conflict of Interest Training and Disclosure – Tim Dykstal, Fiscal Compliance Director, presented guidance on conflict of interest in grant reviewing and information from the Office of Grants Management (OGM). Tim explained how the conflict of interest applies to BWSR's structure and mission and discussed three categories of conflict as the Office of Grants Management defines them: potential, perceived, and actual. Tim stated that his presentation will be posted on BWSR's website. BWSR will train its grant reviewers about conflict of interest annually; disclose conflicts, including potential and perceived conflicts, before each grant review; and continue to inform OGM and others of compliance efforts. Discussion followed. Paul Langseth suggested the conflict of interest form be changed to include a separation from actual, perceived, or potential. John Jaschke stated that Tim will work with the OGM and revise the form that will be used in the future. Tom Loveall stated that Board members are representatives bringing their perspective to provide Board policy. John stated that Tim will inform OGM of the Board's approach to compliance. Chair Napstad thanked Tim for his presentation.

Christy Jo Fogarty left the meeting at 11:15 a.m.

CONFLICT OF INTEREST DECLARATION – Chair Napstad explained that the conflict of interest declaration process is being used today on the FY2013 Competitive Grant Program Allocation, amending the resolution; the Conflict of Interest Declaration forms need to be submitted.

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 asked board members to submit their completed Conflict of Interest Declaration forms to John Jaschke. The Conflict of Interest Declaration documents will be filed for the grant decision item. John Jaschke stated that all board members are eligible to vote.

Amending Resolution – FY2013 Competitive Grant Program Allocations – Dave Weirens reported that on December 12, 2012, the Board adopted Resolution #12-113 which allocated

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funds to projects under the FY2013 Clean Water Fund Competitive Grants Program. Shortly after the Board adopted this resolution, it was brought to the attention of staff that a Livestock Waste Management Project proposed by Benton SWCD had been incorrectly scored as not being riparian. This error occurred due to the operation of the software used to facilitate application processing. If this project had been scored as riparian, it would have been recommended for funding. The Board is requested to amend Resolution #12-113 to increase funding to project CWF13-51 with returned grant funds in the amount of \$80,235. Moved by

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13-06

Paul Langseth, seconded by Faye Sleeper, to approve the amended Resolution to increase funding to project CWF13-51 by \$80,235 from returned grant funds. Discussion followed. Motion passed on a voice vote.

Matt Wohlman left the meeting at 11:35 a.m.

Principal Place of Business Change in Location for Comfort Lake-Forest Lake Watershed District

– Jim Haertel reported that the Comfort Lake-Forest Lake Watershed District office and meetings are currently in the Forest Lake City Hall. The City of Forest Lake is building a new city hall and the old one will be demolished. The old city hall is within the watershed district, however the new city hall is about one-quarter mile outside of the watershed district. There are no other public facilities available within the watershed district. Statute requires BWSR designate the nearest suitable public facility as a watershed district's principal place of business when no public facilities are available within the watershed district. Staff recommends Board approval to designate the new Forest Lake City Hall as the principal place of business for the watershed district. Jim stated that the final 'Whereas' on the resolution for Chair Napstad's signature was amended, capitalizing the word "Board". Moved by Keith Mykleseth, seconded by

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13-07

Rebecca Flood, to designate the new Forest Lake City Hall as the Comfort Lake-Forest Lake Watershed District's principal place of business effective when the new building is ready for occupancy and the watershed district has completed its move. Motion passed on a voice vote.

Washington Conservation District Change of Location of Principal Office

– Jim Haertel reported that the Washington Conservation District proposes to change the location of their office from Stillwater to Oakdale. Both locations are within Washington County. MS Section 103C.221, Change of Location of Principal Office, requires the District Board of Supervisors to adopt a resolution stating the new location and receive approval from the BWSR Board before filing the change in location with the Secretary of State. BWSR staff recommend approval of the change of location. Moved by Rebecca Flood, seconded by Sandy Hooker, to approve the new principal office location for the Washington Conservation District to be 455 Hayward Avenue North, Oakdale, MN. Motion passed on a voice vote.

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13-08

Current Groundwater Topics/Issues in Minnesota – Eric Mohring, Hydrogeologist, provided an overview of current aspects of groundwater management priorities, and the Minnesota groundwater management timeline. Eric reported that an interagency group is working together, coordination has evolved over the years due to scarce resources. BWSR, MDA, DNR, MDH, and PCA are working in collaboration to facilitate and develop incorporating groundwater considerations into the watershed based surface water quality framework. Chris Elvrum, MDH, stated that there's room for improvement, but coordination is good, agencies working together and the need to provide tools and guidance for local governments and watershed areas to

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consider groundwater, infiltration, and vulnerability, for local implementation purposes. Discussion followed. Eric stated that a goal would be to cover the state with MN Geologic Survey (MGS) county atlas maps. Chair Napstad thanked Eric for the presentation, this topic is a great interest to many; would like to know what tools are available to put into watershed plans. He asked Eric to provide BWSR with what groundwater management data is available or needed statewide. Eric stated that it comes down to prioritization; groundwater protection is going to be multi-agency; inter-disciplinary; and multiple scales. John Jaschke stated that Eric and others will provide a summary of available data, and a Phase II presentation at an upcoming Board meeting.

AGENCY REPORTS

Minnesota Pollution Control Agency (MPCA) – Rebecca Flood reported that MPCA has been developing watershed and protection strategies incorporating TMDLs for LGUs and partners. Rebecca stated that MPCA staff could provide a presentation on using tools, computer models being developed and how to integrate into watershed management plans. John Jaschke will coordinate a presentation at an upcoming Board meeting.

ADVISORY COMMENTS

Minnesota Association of Townships (MAT) – Sandy Hooker reported that MAT's Legislative & Research Committee meetings and short courses are scheduled for winter/spring; topics of discussion include rules, regulations, and invasive species.

UPCOMING MEETINGS

Next BWSR Board Meeting – March 27, 2013

** Moved by Sandy Hooker, seconded by Tom Loveall, to adjourn the meeting at 12:41 p.m.
13-09 Motion passed on a voice vote.

Respectfully submitted,



Brian Napstad
Chair