



DATE: June 13, 2016

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

FROM: John Jaschke, Executive Director *[Signature]*

SUBJECT: BWSR Board Meeting Notice – June 22, 2016

The Board of Water and Soil Resources (BWSR) will meet on Wednesday, June 22, 2016, beginning at 9:00 a.m. The meeting will be held in the lower level Board Room at 520 Lafayette Road N., St. Paul. Parking is available in the lot directly in front of the building (see hooded parking area).

The following information pertains to agenda items:

COMMITTEE RECOMMENDATIONS

Administrative Advisory Committee

- Petition for Termination of the Thirty Lakes Watershed District** - Crow Wing County has submitted a petition on behalf of numerous residents to terminate the Thirty Lakes Watershed District pursuant to Minn. Stat. §103D.271. Statute requires that the Board conduct a hearing on the Termination Petition within the watershed district. The Thirty Lakes Watershed District has undertaken a comprehensive evaluation of the effectiveness and efficiency of the District's programs and services and concluded that the District should be dissolved. Contingent on the Administrative Advisory Committee recommendation, staff recommend approval that the Board order a public hearing be held on the Petition for Termination as per draft Order. **DECISION ITEM.**

Northern Region Committee

- Clearwater County Comprehensive Local Water Management Plan Amendment** – Clearwater County adopted a resolution on January 20, 2015, to complete the BWSR Board Order required five-year amendment to the Clearwater County 2010-2020 Comprehensive Local Water Management Plan (Plan). A properly noticed public hearing for the amendment was held on April 19, 2016. The County submitted the Plan amendment and required documents to the BWSR on May 17, 2016. The Northern Regional Committee of the Board met June 8, 2016, to review the Plan amendment and recommends the full Board approve the BWSR Board Order required five-year amendment of the Clearwater County Comprehensive Local Water Management Plan. The Plan remains in effect until May 26, 2020. **DECISION ITEM**

Bemidji 403 Fourth Street NW Suite 200 Bemidji, MN 56601 (218) 755-2600	Brainerd 1601 Minnesota Drive Brainerd, MN 56401 (218) 203-4470	Detroit Lakes 26624 N. Tower Road Detroit Lakes, MN 56501 (218) 846-8400	Duluth 394 S. Lake Avenue Suite 403 Duluth, MN 55802 (218) 723-4752	Mankato 12 Civic Center Plaza Suite 3000B Mankato, MN 56001 (507) 344-2821	Marshall 1400 East Lyon Street Marshall, MN 56258 (507) 537-6060	New Ulm 21371 State Hwy 15 New Ulm, MN 56073 (507) 359-6074	Rochester 3555 9 th Street NW Suite 350 Rochester, MN 55901 (507) 206-2889
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Central Office / Metro Office 520 Lafayette Road North Saint Paul, MN 55155 Phone: (651) 296-3767 Fax: (651) 297-5615

Buffers, Soils, and Drainage Committee

1. **Buffer Program Policies: Authorizing Public Review and Comment** - The Buffers, Soils and Drainage Committee has met several times following the March Board meeting and is recommending the Board authorize public review and comment for the 7 program policies that are under development. These policies are: (1) Draft Buffer Compliance Determination Policy (*Parcel and Bank Approach*); (2) Draft Buffer Law Reporting and Progress Tracking Policy; (3) Draft MS4 Exemption Policy; (4) Draft Alternative Practices Implementation Policy; (5) Draft Alternative Practices Approved by the Board Policy; (6) Draft Local Water Resources Riparian Protection Policy (*Other Watercourses*); and (7) Draft Non-Implementation Policy. **DECISION ITEM**

Grants Program & Policy Committee

1. **FY2017 Buffer Law Funding Allocations** - Laws of 2015 included new state policy for required buffers on public waters and public drainage systems. The 2015 legislature also appropriated clean water funds to BWSR to support local implementation of the new buffer law in FY 2016 and 2017. The Grants Program and Policy Committee met on May 20, 2016 and is recommending approval of 1) non-competitive grant allocations to support SWCD implementation of new buffer law, 2) not require a local match, 3) be awarded as a up front lump sum payments, 4) only require annual and final eLINK reporting, 5) authorize staff to finalize, distribute and promote a SWCD request for funding to implement the FY 2017 Buffer Law program and 6) authorize staff to execute grant agreements with individual SWCDs after receipt and approval of requests for funding not to exceed grant allocation amounts approved by the Board. **DECISION ITEM**
2. **FY 2016 & 2017 Clean Water Fund Non-Competitive Grants To SWCDs For Local Capacity Services And TSAs For Enhanced Shared Technical Services** - CWF appropriations in Laws of 2015 included new state funding to support SWCD services and enhanced delivery of engineering and technical services. On May 20, 2016 the Grants Program and Policy Committee met and is recommending approval of 1) FY 2016 and 2017 CWF non-competitive grant allocations that have been developed to support SWCD local capacity to implement their authorities in Minn. Stat. sections 103C.321 and 103C.331 and to enhance technical assistance to deliver essential engineering and technical services through TSAs, 2) authorize staff to finalize, distribute and promote a SWCD and TSA request for funding to implement the remaining FY 2016 local capacity services funds for matching grants and the FY 2017 payments and matching grants to soil and water conservation districts for the purposes of Minn. Stat. sections 103C.321 and 103C.331, 3) grants for enhanced technical assistance to TSAs with the provisions of appropriations enacted in 2015, Minn. Stat. section 103B.3369, and 4) authorize staff to execute grant agreements with individual SWCDs and TSAs after receipt and approval of requests for funding not to exceed grant allocation amounts approved by the Board. **DECISION ITEM**
3. **Proposed FY '17 SWCD Programs and Operations Grants Allocations** - The Grants Program & Policy Committee is forwarding their FY '17 allocation recommendations for the Conservation Delivery, Easement Delivery, Non Point Engineering Assistance, and Cost Share Grant Programs. **DECISION ITEM**

4. **Proposed FY 2017 Natural Resources Block Grant** - The Natural Resources Block Grant (NRBG) provides assistance to local governments to implement state natural resource programs. These programs are: Comprehensive Local Water Management, the Wetland Conservation Act, the DNR Shoreland Management, and the MPCA Subsurface Sewage Treatment Systems. The Grants Program & Policy Committee recommends Board approval of the Proposed FY '17 Natural Resources Block Grant allocations. **DECISION ITEM**

5. **Red River Basin Commission 2016 Funding** - The Red River Basin Commission (RRBC) is an international organization which receives financial support from the states of North Dakota, Minnesota, and the province of Manitoba. BWSR is the MN state agency that reviews and approves the annual reports and work plans of the RRBC. Once approved, the MN grant is processed by BWSR. Based on review of the documents, the Grants Program and Policy Committee recommends approval by the full Board. Jeff Lewis Executive Director of the RRBC will present the 2015 annual report and 2016 work plan and budget of the RRBC at the August meeting in East Grand Forks. **DECISION ITEM**

6. **Erosion Control and Water Management Program Policy Amendment** - The Erosion Control and Water Management Program is more commonly known as the State Cost Share Program. Legislation in 2015 necessitated changes to the BWSR Erosion Control and Water Management Program Policy. The BWSR Cost Share Work Group recommended changes consistent with the 2015 Legislation to the BWSR Grants Team. The BWSR Senior Management Team discussed the changes. The Grants Program and Policy Committee met on May 20, 2016 to review the draft Policy and unanimously recommended approval by the full Board.
DECISION ITEM

7. **USDA-NRCS Regional Conservation Partners Program (RCPP) Project** - The Lower Mississippi River Feedlot Management in Minnesota Project will be leveraging State funding from BWSR to provide match for a Natural Resources Conservation Service Regional Conservation Partnership Program (RCPP) project. BWSR will provide technical and financial assistance to plan and design projects to mitigate feedlot runoff from smaller open lot feedlots in southeastern Minnesota. BWSR will provide \$1.6M over the duration of the RCPP project as will the NRCS. BWSR funds will be from a combination of the General Fund and the Clean Water Fund. The Grants Program and Policy Committee met on May 20 and recommend approval per the draft Resolution. **DECISION ITEM**

8. **FY 2017 CWF Competitive Grants Program Authorization** - The FY 17 Clean Water Fund Competitive Grants Program includes four BWSR grant programs (Projects and Practices, Accelerated Implementation, Community Partners and Multipurpose Drainage Management), Minnesota Department of Health Well Sealing Grants and Minnesota Department of Agricultural AgBMP loans. The proposed application period is June 27 to August 8, 2016. The application scoring process will be conducted by staff from DNR, MDA, MDH, PCA and BWSR as has been the case in previous years. The Grants Program and Policy Committee met on April 26 and May 20, 2016 and is recommending Board authorization of the program. **DECISION ITEM**

Water Management and Strategic Planning Committee

1. **One Watershed, One Plan Transition Plan** - Adoption of a One Watershed, One Plan Transition Plan (Plan) by BWSR by June 2016 is a requirement of 2015 statute. The Water Management and Strategic Planning Committee (Committee) reviewed drafts of the Plan at the September and December 2015 and January 2016 Committee meetings. The Committee recommended and the Board approved a public comment period on the Plan in March 2016; this comment period was held March 23 – May 4, 2016. On April 24, 2016, the Committee reviewed the comments received and changes made to the Plan based on these comments, and recommended Board adoption of the plan. ***DECISION ITEM***

2. **Local Water Plan Extensions and Amendment Policy** - The primary purposes of the Local Water Plan Extension and Amendment policy are to facilitate the transition to One Watershed, One Plan and allow for effective participation in and use of WRAPS, while maintaining eligibility in applying for and receiving grants. Legislative action in the 2016 session removed a requirement to incorporate the summary of watercourses associated with the Buffer Law into water plans through plan amendment, which was also addressed in the policy. The June 22, 2016 revision is to remove reference to Minnesota Statutes §103F.48. ***DECISION ITEM***

3. **Nonpoint Priority Funding Plan (NPPF)** – The Board of Water and Soil Resources is requested to approve the recommendation of the Water Management & Strategic Planning Committee to accept the 2016 Nonpoint Priority Funding Plan and to direct staff to post to the website by July 1, 2016. ***DECISION ITEM***

If you have any questions regarding the agenda, please feel free to call me at 651-296-0878. The Board meeting will adjourn about 12:30 PM. We look forward to seeing you on June 22nd!

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD N.
LOWER LEVEL CONFERENCE ROOM
ST. PAUL, MINNESOTA 55155
WEDNESDAY, JUNE 22, 2016
PRELIMINARY AGENDA**

9:00 AM CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA

MINUTES OF MAY 25, 2016 BOARD MEETING

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

CONFLICT OF INTEREST DECLARATION

- FY 2017 Buffer Law Funding Allocations
- FY 2016 & 2017 Clean Water Fund Non-Competitive Grants to SWCDs for Local Capacity Services and TSAs for Enhanced Shared Technical Services
- FY17 SWCD Programs & Operations and Non-Point Engineering Assistance Grant Allocations
- Proposed FY 2017 Natural Resources Block Grant
- Red River Basin Commission 2016 Funding

INTRODUCTION OF NEW EMPLOYEES

- Dave Copeland, Board Conservationist, Rochester

REPORTS

- Chair & Administrative Advisory Committee – Brian Napstad
- Audit & Oversight Committee – Brian Napstad
- Executive Director – John Jaschke
- Dispute Resolution Committee – Gerald Van Amburg
- Grants Program & Policy Committee – Steve Sunderland
- RIM Reserve Committee – Gene Tiedemann
- Water Management & Strategic Planning Committee – Jack Ditmore
- Wetland Conservation Committee – Gerald Van Amburg
- Buffers, Soils & Drainage Committee – Brian Napstad
- Drainage Work Group – Tom Loveall/Al Kean

COMMITTEE RECOMMENDATIONS

Administrative Advisory Committee

1. Petition for Termination of the Thirty Lakes Watershed District – Travis Germundson – ***DECISION ITEM***

Northern Region Committee

1. Clearwater County Comprehensive Local Water Management Plan Amendment – Gene Tiedemann – ***DECISION ITEM***

Buffers, Soils, and Drainage Committee

1. Buffer Program Policies: Authorizing Public Review and Comment – Dave Weirens and Tom Gile – ***DECISION ITEM***

Grants Program & Policy Committee

1. FY 2017 Buffer Law Funding Allocations – Doug Thomas – ***DECISION ITEM***
2. FY 2016 & 2017 Clean Water Fund Non-Competitive Grants to SWCDs for Local Capacity Services and TSAs for Enhanced Shared Technical Services – Doug Thomas – ***DECISION ITEM***
3. FY17 SWCD Programs & Operations and Non-Point Engineering Assistance Grant Allocations – Wayne Zellmer – ***DECISION ITEM***
4. Proposed FY 2017 Natural Resources Block Grant – Wayne Zellmer - ***DECISION ITEM***
5. Red River Basin Commission 2016 Funding – Jim Haertel – ***DECISION ITEM***
6. Erosion Control and Water Management Program Policy Amendment – Pete Waller – ***DECISION ITEM***
7. USDA-NRCS Regional Conservation Partners Program (RCPP) Project – Matt Drewitz and Al Kean – ***DECISION ITEM***
8. FY17 CWF Competitive Grants Program Authorization – Marcey Westrick – ***DECISION ITEM***

Water Management and Strategic Planning Committee

1. One Watershed, One Plan Transition Plan – Melissa Lewis – ***DECISION ITEM***
2. Local Water Plan Extensions and Amendment Policy – Melissa Lewis – ***DECISION ITEM***
3. Non-Point Priority Funding Plan – Marcey Westrick – ***DECISION ITEM***

AGENCY REPORTS

- Minnesota Department of Agriculture – Matt Wohlman
- Minnesota Department of Health – Chris Elvrum
- Minnesota Department of Natural Resources – Tom Landwehr
- Minnesota Extension Service – Faye Sleeper
- Minnesota Pollution Control Agency – Rebecca Flood

ADVISORY COMMENTS

- Association of Minnesota Counties – Jennifer Berquam
- Minnesota Association of Conservation District Employees – Tiffany Determan
- Minnesota Association of Soil & Water Conservation Districts – LeAnn Buck
- Minnesota Association of Townships – Sandy Hooker
- Minnesota Association of Watershed Districts – Ray Bohn
- Natural Resources Conservation Service – Cathee Pullman

UPCOMING MEETINGS

- BWSR Tour and Meeting, August 24-25, 2016, East Grand Forks

12:30 PM ADJOURN

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD N.
LOWER LEVEL CONFERENCE ROOM
ST. PAUL, MINNESOTA 55155
WEDNESDAY, MAY 25, 2016**

BOARD MEMBERS PRESENT:

Patty Acomb, Joe Collins, Jill Crafton, Jack Ditmore, Chris Elvrum, MDH; Doug Erickson, Rebecca Flood, MPCA; Sandy Hooker, Kathryn Kelly, Tom Loveall, Brian Napstad, Dave Schad, DNR; Tom Schulz, Rob Sip, MDA; Faye Sleeper, MES; Steve Sunderland, Gerald Van Amburg, Paige Winebarger

BOARD MEMBERS ABSENT:

Neil Peterson
Gene Tiedemann

STAFF PRESENT:

Mary Jo Anderson, Angie Becker Kudelka, Greg Berg, Don Buckhout, Linda Donnay, Tim Dykstal, Travis Germundson, Tom Gile, Jim Haertel, Al Kean, Tim Koehler, Les Lemm, Bill Penning, Mary Peterson, Pat Sherman, Dan Steward, Jason Weinerman, Dave Weirens

OTHERS PRESENT:

Melissa Barrick, Crow Wing SWCD
Todd Holman and Rich Bieske, TNC
Anna Boroff, Minnesota Corn
Sheila Vanney, MASWCD
Matt Wohlman, Brad Redlin, Marcia Weinandt, MDA

Chair Napstad called the meeting to order at 9:04 a.m.

PLEDGE OF ALLEGIANCE

** 16-22 **ADOPTION OF AGENDA** – Moved by Paige Winebarger, seconded by Jill Crafton, to adopt the agenda as presented. *Motion passed on a voice vote.*

** 16-23 **MINUTES OF MARCH 23, 2016 BOARD MEETING** – Jill Crafton stated that an edit is needed on page 3 regarding the Local Water Plan Extension and Amendment Policy; the second line should state ‘were’ rather than ‘was’. Also, on page 4, One Watershed, One Plan Grant Program Policy and Request for Proposals – the word ‘seconded’ by was omitted. Moved by Patty Acomb, seconded by Doug Erickson, to approve the minutes of March 23, 2016 as corrected. *Motion passed on a voice vote.*

CONFLICT OF INTEREST DECLARATION

Chair Napstad explained that the Conflict of Interest Disclosure process is being used today for the following agenda items:

- Minnesota Buffers Program and Agricultural Water Quality Certification Program Memorandum of Understanding
- Straight River Groundwater Management Area Groundwater Protection Grant
- Rice Creek Watershed District Stormwater Reuse Methodology Workshop Grant
- Farm Bill Assistance Program Authorization
- FY 2016-2017 CWF Targeted Watershed Demonstration Program Grants

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.”

INTRODUCTION OF NEW EMPLOYEES

- Bill Penning introduced Pat Sherman, Easement Data Specialist, in St. Paul.
- Jim Haertel introduced Greg Berg, Board Conservationist, in BWSR St. Cloud office
- Jim Haertel introduced Linda Donnay, Grants Compliance Specialist, in BWSR St. Cloud office

Chair Napstad welcomed Pat, Greg, and Linda to BWSR.

REPORTS

Chair & Administrative Advisory Committee – Brian Napstad reported that he attended the EQB meeting on May 18, 2016. The EQB received citizen petitions to designate a different Responsible Governmental Unit (RGU) for the environmental review of the North Dakota Pipeline Company proposed Sandpiper Pipeline and Enbridge Energy. The current RGU is the Public Utilities Commission; the request was for the RGU to be DNR and PCA. After review, the EQB determined the RGU remain the Public Utilities Commission.

Chair Napstad reported that he and Vice Chair Van Amburg conducted executive director John Jaschke’s performance review on April 27. Chair Napstad thanked board members and the BWSR senior management team (SMT) for participating. Chair Napstad will distribute the confidential review to board members. Chair Napstad acknowledged that BWSR has an outstanding executive director! He

stated that John is highly regarded statewide, and thanked John for the important contribution he makes to BWSR.

Executive Director's Report – John Jaschke reported that the Governor has not yet made board member appointments for terms expiring in January 2016. John thanked Sandy for her continued attendance.

John recognized Melissa Lewis, 1W1P Coordinator, promoted to Assistant Manager of the Central Region; and Matt Drewitz, Clean Water Specialist, promoted to Measures and Outcomes Coordinator. John provided a brief overview of the BWSR Org Chart and new vacancies. John reviewed information in the board members' packets. Board Members interested in attending the MAWD Summer Tour, contact Mary Jo Anderson today.

Legislative Update – Angie Becker Kudelka reported that the Legislative Session adjourned on May 23rd leaving some unanswered questions as legislators did not pass a bonding/transportation package. Angie distributed the 2016 Legislative Session Status and provided a legislative update.

- **Supplemental Budget:** The House and Senate passed a supplemental budget and it is now at the Governor's desk for signature consideration. BWSR did not have any administration-sponsored proposals in the supplemental budget (General Fund), but were included in two sections:
 - *Passed:* The Working Lands Watershed Restoration Program directs BWSR to conduct a feasibility study (paid for in this bill with \$479K to BWSR and \$115K to MPCA) and then develop a program plan for a voluntary, market-based incentive for perennial crops that improve water quality and habitat. The goal is to also boost the bottom line for both Minnesota's farm economy and environment. The financial appropriation for Phase II, which includes development of pilot watersheds, is not in this bill.
 - *Not Passed:* A Minnesota River basin proposal (\$250K) would have charged BWSR with developing basin-wide goals/strategies for sediment and nutrient reduction in the Minnesota River Basin by the end of 2017. This was not included in the final conference committee report. BWSR will continue to work on watershed-based goals using the One Watershed, One Plan legislation.
- **Bonding:** The bonding bill failed to pass at the close of the legislative session. The Governor's recommendations included \$5M for the Local Roads Wetland Replacement program and \$30M for the multi-agency CREP/RIM clean water initiative (of which on 1/3 was included in the final House bill). If the Governor decides to hold a special session, we will look for ways to continue to explain the benefits for Minnesota.
- **Outdoor Heritage Fund and Clean Water Fund:** The House and Senate passed a Legacy bill and it is now at the Governor's desk for signature consideration. The final bill had two main sections: 1) allocation of the Outdoor Heritage Funds (OHF) for FY'17; and 2) accounting for a deficit in Clean Water Funds (CWF).

Annually, the Lessard-Sams Outdoor Heritage Council provides OHF recommendations to the full legislature. BWSR will be allocated OHF dollars for the Reinvest in Minnesota (RIM) Reserve Program including:

- RIM Buffers for Wildlife and Water: Phase VI - \$6,708,000 (used as part of state match for CREP)
- RIM Wetlands: Phase 7 - \$13,808,000 (used as part of state match for CREP)
- Camp Ripley ACUB – Phase VI - \$1,500,000 (Morrison SWCD listed as Manager)
- Mississippi Headwaters Habitat Corridor Partnership – Phase II - \$2,105,000 (MHB is Manager – BWSR has \$1,045,000 for RIM easements)

The bill also includes small decreases in Clean Water Funding to offset a deficit that became known with the February 2016 State financial forecast; and accomplish other priority spending (to

Pollution Control Agency for WRAPS; and to Department of Agriculture for Ag Water Quality Certification). They include:

- Decreasing BWSR's 2011 Session funding (year 2) from \$31,734,000 to \$30,662,000
- Decreasing BWSR's 2013 Session funding (year 2) from \$34,740,000 to \$34,647,000

These were mostly returned grants funds, subject to future cancellation.

- **LCCMR:** The Legislative-Citizen Commission on Minnesota Resources (LCCMR) recommends funding appropriations for the Environment and Natural Resources Trust Fund (ENRTF) to the full legislature. The House and Senate passed the ENRTF bill and it is now at the Governor's desk for signature consideration. The BWSR allocation included the Minnesota Conservation Apprentice Academy at \$433,000. This program places college students with SWCDs for a summer program that includes mentorships and practical on-the-ground work.
- **Taxes:** The House and Senate passed a Tax bill and it is now at the Governor's desk for signature consideration. Three items of interest that passed this year are:
 1. Includes no penalty for early withdrawal from Sustainable Forest Incentive Act (SFIA), if the land is placed in a conservation easement.
 2. Adds an optional special taxing district and line itemization for SWCDs onto county property tax proceedings.
 3. Creates Riparian Protection Aid (for enforcement and implementation public water and public ditch buffers) that includes \$10M to counties based on a formula – with a pass-through to watershed districts and funds to BWSR if the county or watershed district does not assume local jurisdiction of the buffer law.

John Jaschke reported on HF848 Tax Bill excerpts. BWSR will know by March 2017, when Counties and Watershed Districts must inform BWSR whether or not they plan to use their authority to enforce the buffer requirement (via Rule or Ordinance and Administrative Penalty Order authority).

Angie stated that the Governor will decide which of these bills he plans to sign into law and also decide if a special session is warranted. Staff will keep board members updated on decisions and impacts. Discussion followed. Chair Napstad thanked Angie for her report.

Dispute Resolution Committee – Travis Germundson provided a brief overview of the appeals filed with BWSR, currently there are 10 appeals pending. Travis reported that a DRC hearing has been scheduled for August 22, 2016 regarding File #15-9; a replacement plan decision in Crow Wing County.

Grants Program & Policy Committee – Steve Sunderland reported that the Grants Program & Policy Committee met on April 26; recommendations on the agenda later today. The Grants Program & Policy Committee also met on May 20 to review grant proposals for action at the June Board Meeting.

RIM Reserve Committee – Tom Schulz reported that the RIM Reserve Committee recommendation is on the agenda later today. In Gene Tiedemann's absence, Tom chaired the RIM Reserve Committee meeting on May 24.

Water Management & Strategic Planning Committee – Jack Ditmore reported that the Water Management & Strategic Planning Committee met yesterday; the recommendations will be presented at the June 22 Board Meeting. Jack stated that the Committee may meet on the evening of June 21. Jack provided a brief update on pilot programs. Jack stated that staff have done a wonderful job on the 1W1P.

Wetland Conservation Committee – Gerald Van Amburg reported that the Wetland Conservation Committee met on April 27. Gerald stated that there is a proposal to form a wetlands working group, modeled after the Drainage Work Group, to engage stakeholders on a long-term basis. Gerald stated that the Committee plans to meet again in June, date to be determined.

Buffers, Soils & Drainage Committee – Brian Napstad reported that the Buffers, Soils & Drainage Committee met on April 27 and May 19, draft policy recommendations will be presented to the full Board in June and August.

Drainage Work Group – Tom Loveall reported that the Drainage Work Group has not met since March 3. Al Kean provided an update since the March meeting. The next Drainage Work Group meeting is June 9; with anticipated monthly meetings through December 2016. Chair Napstad thanked Al for his report.

COMMITTEE RECOMMENDATIONS

Central Region Committee

Egan-Inver Grove Heights Watershed Management Organization Plan 2016-2025 – Mary Peterson reported that the final draft of the first Watershed Management Plan of the Egan-Inver Grove Heights Watershed Management Organization was filed with the Board on February 4, 2016. The watershed is located in the southeast part of the seven county Metropolitan Area and covers just over 30 square miles in the Cities of Egan (96%) and Inver Grove Heights (4%). The WMO is a new joint powers organization, but the member cities are not new to watershed management. This watershed area was originally covered by the former Gun Club Lake Watershed Management Organization. The Central Region Committee met on May 10, 2016 to review and discuss the Plan, and unanimously voted to recommend approval of the Plan. Moved by Joe Collins, seconded by Faye Sleeper, to approve the Egan-Inver Grove Heights Watershed Management Organization Watershed Management Plan.

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16-24

Motion passed on a voice vote.

Vermillion River Watershed Joint Powers Organization Plan 2016-2025 – Mary Peterson reported that the final draft of the Watershed Management Plan of the Vermillion River Watershed Joint Powers Organization (VRWJPO) was filed with the Board on March 7, 2016. The watershed includes all or portions of 20 cities and townships. The Vermillion River headwaters are located in southeastern Scott County with the majority of the watershed located in central Dakota County. The VRWJPO has effectively incorporated the TMDL and WRAPs process and strategies into this 10-year Plan update resulting in a prioritized, targeted and measurable watershed implementation program. The Central Region Committee met on May 10, 2016 to review and discuss the Plan, and unanimously voted to recommend approval of the Plan. Moved by Joe Collins, seconded by Jack Ditmore, to approve the Vermillion River Watershed Joint Powers Organization Watershed Management Plan. Rebecca Flood noted that the JPO stated that WRAPs can be used in a purposeful way, a parallel manner. Discussion followed. Joe Collins stated that the VRWJPO has an exceptional website, to be used as an example for others. ***Motion passed on a voice vote.***

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16-25

Sherburne County Comprehensive Local Water Management Plan Extension – Jason Weinerman reported that on July 7, 2015, the Sherburne County Board of Commissioners passed a resolution to begin the local water management plan update process. On February 4, 2016, the Board of Water and Soil Resources received a request from Sherburne County for an extension to allow the County to better coordinate with surrounding counties in the water management process and to provide for additional time due to staffing changes within the water planner position. This extension request fell within the

case by case provision of the revised Local Water Plan Extension and Amendment Policy from March 23, 2016. The Central Region Committee met on May 10, 2016 to review the extension request and recommend approval of the extension until February 28, 2018. Moved by Joe Collins, seconded by Kathryn Kelly, to approve the Sherburne County Comprehensive Local Water Management Plan Extension until February 28, 2018. **Motion passed on a voice vote.**

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16-26

Isanti County Priority Concerns Scoping Document – Jason Weinerman reported that on May 24, 2006, the Board of Water and Soil Resources approved Isanti County’s Comprehensive Local Water Management Plan for a ten year period ending May 31, 2016, which was extended to May 31, 2018. On March 18, 2015, Isanti County passed a resolution to begin the plan update process. On February 17, 2016, the Isanti County Water Planner submitted the Priority Concerns Scoping Document to the state agencies for review. On May 10, the Central Region Committee reviewed the Isanti County Comprehensive Local Water Management Priority Concerns Scoping Document and recommended approval of the draft letter finding the priority concerns identified to be appropriate and for the County to continue working on the development of the plan. Moved by Joe Collins, seconded by Jill Crafton, to approve the Isanti County Priority Concerns Scoping Document. Discussion followed. **Motion passed on a voice vote.**

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16-27

Northern Region Committee

Cass County Priority Concerns Scoping Document – Tom Schulz reported that Cass County submitted the Priority Concerns Scoping Document for state review and comment as part of updating their Comprehensive Local Water Management Plan. The Northern Region Committee met April 13, 2016; the Committee concurred with the selected priority concerns and recommended approval of the Priority Concerns Scoping Document. The State’s expectations of the final plan must be sent to Cass County. Moved by Tom Schulz, seconded by Jill Crafton, to approve the Cass County Priority Concerns Scoping Document. **Motion passed on a voice vote.**

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16-28

Southern Region Committee

Blue Earth County Priority Concerns Scoping Document – Kathryn Kelly reported that Blue Earth County submitted the Priority Concerns Scoping Document for state review and comment as part of updating their Comprehensive Local Water Management Plan. The Southern Region Committee met April 7, 2016; the Committee concurred with the selected priority concerns and recommended approval of the Priority Concerns Scoping Document. The State’s expectations of the final plan must be sent to Blue Earth County. Moved by Kathryn Kelly, seconded by Doug Erickson, to approve the Blue Earth County Priority Concerns Scoping Document. **Motion passed on a voice vote.**

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16-29

Martin County Priority Concerns Scoping Document – Kathryn Kelly reported that Martin County submitted the Priority Concerns Scoping Document for state review and comment as part of updating their Comprehensive Local Water Management Plan. The Southern Region Committee met April 7, 2016; the Committee concurred with the selected priority concerns and recommended approval of the Priority Concerns Scoping Document. The State’s expectations of the final plan must be sent to Martin County. Moved by Kathryn Kelly, seconded by Sandy Hooker, to approve the Martin County Priority Concerns Scoping Document. **Motion passed on a voice vote.**

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16-30

Chair Napstad called for a break in the meeting at 10:30 AM. The meeting reconvened at 10:40 AM.

Buffers, Soils and Drainage Committee

Buffer Law Compliance and the Agricultural Water Quality Certification Program Memorandum of Understanding – Tom Gile reported that the Buffers, Soils, and Drainage Committee met May 19, 2016, to review a resolution and recommend approval of authorizing the BWSR Executive Director to execute a memorandum of understanding with the Minnesota Department of Agriculture, aligning the Agricultural Water Quality Certification Program and the Buffer Program. Tom presented the resolution and made note of two adjustments to the resolution:

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources makes the following orders:

1. Upon execution of a MOU with the Minnesota Department of Agriculture, the Minnesota Agricultural Water Quality Certification Program is hereby approved in accordance with Minnesota Statutes Section 103F.48, Subd. 3(b), and thus agricultural producers who possess a valid STATE OF MINNESOTA AGRICULTURAL WATER QUALITY CERTIFICATION AGREEMENT and ~~have adopted~~ which constitutes an alternative riparian water quality practice, or combination of structural, vegetative, and management practices that have accomplished water quality protection comparable to the buffer protection for the water body that the property abuts;
2. Authorizes the Executive Director to execute the Memorandum of Understanding with the Minnesota Department of Agriculture and direct staff to take the necessary steps to implement it.

** Moved by Rebecca Flood, seconded by Tom Loveall, to approve the Committee recommendation to adopt the resolution as presented, authorizing the Executive Director to execute the Memorandum of Understanding with the Minnesota Department of Agriculture providing that the Minnesota Agricultural Water Quality Certification Program serves as an alternative practice under the Buffer Program. Discussion followed. John stated that Tom will provide a table to board members showing the Buffer Law's seven proposed policies in progress. The Buffers, Soil, and Drainage Committee will meet again before the June Board Meeting. Tom stated that the Agricultural Water Quality Certification Program reviews all properties; new acquired properties go through the process. John stated that the resolution is aligned with the Statutes in place. **Motion passed on a voice vote.** Kathryn Kelly abstained from the vote.

16-31

Excessive Soil Loss Program: Adopt Interim Guidance and Authorize Rulemaking – Dave Weirens reported that the Buffers, Soils and Drainage Committee met on May 19, 2016, to review interim guidance for implementing the Excessive Soil Loss Program. The Committee recommends adoption and authorizes amending the program Rule. Dave stated that staff have developed the guidance document for agency staff and local governments to use when responding to complaints that must be addressed under the law; and requesting authority to initiate rulemaking so the program rule can be brought into conformance with the Law. Dave provided an overview of the procedural steps for complaints associated with agricultural activities. Moved by Brian Napstad (chair of the Buffers, Soils and Drainage Committee), seconded by Tom Loveall, to approve the interim guidance on excessive soil loss and authorize the initiation of the rulemaking process to revise Minnesota Rules Chapter 8400. The Board authorizes staff to establish a stakeholder committee to develop soil erosion standards and oversee the rule amendment process. Discussion followed. Chair Napstad stated that this is a one-time activity of the stakeholder committee to develop standards and rule amendments. **Motion passed on a voice vote.**

16-32

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

Grants Program & Policy Committee

Straight River Groundwater Management Area Groundwater Protection Grant – Don Buckhout

reported that the Grants Program & Policy Committee met on April 26, 2016; and recommend approval of the grant to SWCDs with jurisdiction in the Straight River Groundwater Management Area. Grant funds of \$50,000 will be shared by the Becker and Hubbard SWCDs to promote landowner groundwater protection practices. Don stated that this is a one-time grant. Discussion followed. Rob Sip stated that MDA staff are working with Ottertail County on groundwater protection practices. Chris Elvrum stated that MDH is also working with MDA on groundwater protection practices; this is a good start. Dave Schad stated that DNR is also working with MDA and MDH on regulatory groundwater protection practices. Moved by Steve Sunderland, seconded by Tom Schulz, to approve the non-competitive grant for groundwater protection practices in the Straight River Groundwater Management Area. Direct that funds be granted in compliance with FY2014 CWF Competitive Grants Policy, except that: 1) no match will be required; 2) the grant will be awarded as a lump sum up-front payment; and 3) only annual and final eLINK reporting will be required. The Board hereby authorizes staff to execute a grant agreement with the Becker SWCD consistent with the resolution and not to exceed \$50,000. **Motion passed on a voice vote.**

**

16-33

Rice Creek Watershed District Stormwater Reuse Methodology Workshop Grant – Don Buckhout

reported that the Grants Program & Policy Committee met on April 26, 2016; reviewed and recommend approval of the proposed workshop amendment to the Stormwater Reuse for Irrigation Assessment grant agreement. Don reported that in 2015, BWSR granted the Rice Creek Watershed District \$100,000 to develop a methodology for identifying sites and feasibility of stormwater reuse for irrigation of non-agricultural land (e.g., turfgrass). This \$5000 grant would add a workshop task targeted to teach end users how to apply it. Moved by Kathryn Kelly, seconded by Joe Collins, to authorize staff to execute a grant agreement with the Rice Creek WD consistent with the resolution presented, not to exceed \$5,000. **Motion passed on a voice vote.**

**

16-34

Farm Bill Assistance Program Authorization – Jim Haertel

reported that the Farm Bill Assistance Program provides funds to SWCDs to hire staff to accelerate implementation of the Farm Bill as well as other state and federal conservation projects that involve grasslands and wetlands. The FY17 Farm Bill Assistance Program is expected to be funded from several revenue sources, chief among them being the Legislative-Citizens Commission on Minnesota Resources. The Grants Program and Policy Committee met on April 26, 2016 to review documents associated with this resolution and recommends approval. John Jaschke recommends a colon be added to the resolution. “The Board authorizes staff to allocate FY 2016/2017 DNR funds provided for FBA purposes, and up to: \$500,000 of ENRTF; \$100,000 of BWSR FY2017 Outdoor Heritage Fund; \$695,000 BWSR FY 2016 Clean Water Fund Accelerated Implementation Grant; \$400,000 FY 2016 Clean Water Fund RIM; and any rollover or continuation funds for this program previously authorized. Funding allocations are subject to final fund availability and/or appropriation language. Moved by Steve Sunderland, seconded by Kathryn Kelly, to approve the resolution authorizing the Farm Bill Assistance Program as presented. Discussion followed. **Motion passed on a voice vote.**

**

16-35

John Jaschke stated that two board members are abstaining from the vote on the next grant.

FY 2016-2017 CWF Targeted Watershed Demonstration Program Grants – Marcey Westrick reported that on December 16, 2015, the Board adopted resolution #15-92 which authorized staff to conduct a Request for Interest for nominations for the Targeted Watershed Program. Nominations for the FY2016-17 Clean Water Fund Targeted Watershed Program were accepted from February 1 through

March 9, 2016. Local governments submitted 8 nominations requesting \$11,781,168 in Clean Water Funds with \$8,750,000 available. The Grants Program and Policy Committee met on April 26, 2016 and reviewed the Targeted Watershed Demonstration Program proposed grant allocations and recommends approval. Marcey distributed the FY2016 Project and Practices Funding Recommendations. Jack Ditmore recommended naming the projects in addition to the numbers listed as part of the resolution.

** Moved by Kathryn Kelly, seconded by Sandy Hooker, that the Board hereby:

- 1) Approves the allocation of \$8,750,000 according to the attached Targeted Watershed Demonstration Program Recommendation by funding the following 6 projects:
 - Buffalo Red Watershed District (\$2,800,000)
 - Pelican River Watershed District (\$1,500,000)
 - Fillmore and Root Soil and Water Conservation Districts (\$493,233)
 - Shell Rock River Watershed District (\$825,610)
 - East Polk Soil and Water Conservation District (\$790,240)
 - Capitol Region Watershed District (\$1,760,000).
- 2) Approves shifting the remaining dollar amount of \$580,917 from Targeted Watershed to fund FY2016 Projects and Practices in Resolution #15-91 as follows:
 - Fully fund #39 "Heritage Park Urban Runoff Improvement Project" to Rice Soil and Water Conservation District (\$392,934);
 - Partially fund #40 "2016 Two Rivers lake Targeted Water Quality BMP Installation" to Stearns Soil and Water Conservation District (\$187,983).

16-36 **Motion passed on a voice vote with two abstentions.**

RIM Reserve Management Planning Committee

Authorizing the RIM Pine River Watershed Protection Program – Bill Penning introduced project partners: Melissa Barrick, Crow Wing SWCD; and Todd Holman, and Rich Bieske, The Nature Conservancy (TNC). Bill reported that this project will utilize RIM easements to protect priority riparian parcels in the Pine River Watershed. Bill Penning acknowledged and thanked The Nature Conservancy for contributing \$250,000 to this effort and is currently fundraising with Lakeshore Owner Associations for additional match. Dan Steward reported that this is outgrowth of ACUB and use of funding for RIM Pine River Watershed Protection Program. Dan highlighted the partnership with the Crow Wing SWCD and TNC. The RIM Reserve Management Planning Committee met on May 24, 2016; and unanimously recommends the following provisions:

1. Utilize appropriated funds to implement the RIM - Pine River Watershed Protection Program.
2. Accept donations from TNC and other partners for the same purpose.
3. Work with partners to develop program guidelines and outreach efforts focused on priority parcels within the Pine River Watershed.
4. Utilize RIM easement payment rates as established for the ACUB program.
5. Conduct landowner sign-ups and select applications using available funding for the RIM Pine River Watershed Protection Program.

** Moved by Tom Schulz, seconded by Paige Winebarger, to approve the RIM Reserve Management Planning Committee recommendation as presented, authorizing staff to utilize the funds, and implement the RIM Pine River Watershed Protection Program. Chris Elvrum stated that watersheds are much more effective with RIM. Discussion followed. **Motion passed on a voice vote.** Chair Napstad thanked staff and partners for the innovative program and partnership.

16-37

NEW BUSINESS

CREP Update – Angie Becker Kudelka presented information on the Minnesota CREP Scope: up to 100,000 acres; 5-year program; prioritize and target water quality and habitat; potentially up to \$795M in total project costs at a requested 4:1 federal to state ratio; voluntary approach using the RIM easement program and the USDA FSA CRP. Tim Koehler presented science-based targeting; project objectives; CRP practices; and projected water quality outcomes. Angie provided an update on proposed funding. Angie stated that statewide support has been wonderful, a CREP Coalition of over 70 organizations is involved. State funding is planned to be secured through Capital Investment (Bonding); Clean Water, Outdoor Heritage; and Environment and Natural Resources Trust Fund. Tim stated that payment to landowners will include both CRP and RIM. Angie stated that CREP is an additional option for landowner choices on a conservation continuum. Angie stated that negotiations for CREP acres is underway; goal for sign-up is late summer/early fall. Chair Napstad thanked Angie and Tim for the update.

MAWQCP Highlight/Example – Matt Wohlman, Minnesota Department of Agriculture, thanked BWSR for the approval of the Minnesota Agricultural Water Quality Certification Program resolution this morning, an important milestone. Matt reported that this morning Governor Mark Dayton, MDA Commissioner Dave Frederickson, and Chris Policinski, President and CEO of Land O'Lakes, announced a new public-private partnership to protect and improve water quality across Minnesota. The AWQCP communicates sustainability in our food supply. Matt congratulated Kathryn Kelly for certification in the AWQCP on her farm; and he also recognized Tom Schulz for certification in the AWQCP on his farm. Matt presented AWQCP signs to Kathryn and Tom to post on their land. Chair Napstad and board members thanked Kathryn and Tom!

AGENCY REPORTS

Minnesota Department of Health (MDH) – Chris Elvrum reported that lead in drinking water is talked about on the radio this week; always more work to be done.

Minnesota Department of Natural Resources (DNR) – Dave Schad provided a brief update on DNR's buffer mapping; on task to be completed by July 1st. Dave stated that this is a bigger job than anyone envisioned. Buffer mapping Information is on DNR's website; the next step is to provide maps to locals; and for BWSR and others to implement. John stated that BWSR will post received buffer program comments on the website this week.

Minnesota Extension Service (MES) – Faye Sleeper reported on three upcoming events: July 20 webinar, "Field to Streams Handbook Use" for SWCDs to work with landowners. MES will conduct the "Science of Buffers" Session on September 16. The National Climate Adaptation Session in MN is May 9-11, 2017.

Minnesota Pollution Control Agency (MPCA) – Rebecca Flood reported that Governor Dayton requested MPCA conduct listening sessions, "Changes in Water Quality Protection" for wastewater facilities. The outcome of the session became a bill, passed and signed by the Governor.

ADVISORY COMMENTS

Minnesota Association of Soil & Water Conservation Districts (MASWCD) – Sheila Vanney reported that MASWCD President Ian Cunningham is also certified in the AWQCP. Sheila thanked BWSR, specifically John Jaschke and Angie Becker Kudelka, for support during the legislative session. Sheila reported that the next MASWCD Board of Directors meeting will be held in conjunction with NACD in July.

Minnesota Association of Townships (MAT) – Sandy Hooker was in Washington, D.C. in March meeting with legislators and staff regarding broadband availability to township residents and transportation funding. Sandy stated MAT’s concern for the U.S. Army Corps of Engineers’ plan to flood 30,000 acres of farmland including cemeteries, as a result of the Fargo-Moorhead Diversion Project.

UPCOMING MEETINGS

- BWSR Board Meeting, June 22, 2016, St. Paul
- MAWD Summer Tour, June 22-24, Winona
- BWSR Tour and Meeting, August 24-25, 2016, East Grand Forks (*board members requested option for ride-sharing to EGF*)

**
16-38 Moved by Tom Loveall, seconded by Rebecca Flood, to adjourn the meeting at 12:52 PM. ***Motion passed on a voice vote.***

Respectfully submitted,

Mary Jo Anderson
Recorder

DRAFT



Conflict of Interest Disclosure Form for Board Members

Grant Program: FY 2017 Buffer Law Funding Allocations

Name of Review Group: Board of Water and Soil Resources

Before any review of grant applications, the chair of the meeting shall make this statement about conflict of interest:

Chair 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."*

This form gives grant application reviewers an opportunity to disclose any actual, potential or perceived conflicts of interest that may exist during a grant review process. It is the grant reviewer's obligation to be familiar with the Office of Grants Management (OGM) Policy 08-01, Conflict of Interest Policy for State Grant-Making, and to disclose any conflicts of interest accordingly. All grant reviewers *must* complete and sign a conflict of interest disclosure form. On the form, the grant reviewer must identify any grant applicant with which they have an actual, potential or perceived conflict, although they do not need to provide the reason for the conflict on the disclosure form.

A disclosure does not automatically result in the grant application reviewer being removed from the review process.

Please read the definitions of conflict of interest below and mark the appropriate boxes that pertain to you and your status as a reviewer of applications for this grant program.

Conflicts of interest may be actual, potential, or perceived:

ACTUAL CONFLICT OF INTEREST:

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.

POTENTIAL CONFLICT OF INTEREST:

A potential conflict of interest may exist if a grant reviewer has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.

PERCEIVED CONFLICT OF INTEREST:

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist.

At a minimum, all internal parties who are involved in the grant review or grant management process must be made aware that an actual, potential, or perceived conflict has been disclosed and evaluated, even if it is not serious enough to remove or reassign the employee or grant reviewer. After reviewers have signed the conflict of interest form, therefore, the conflicts--if any--that have been disclosed shall be announced to the reviewing body as a whole. Disclosed conflicts and their resolution will also be noted in the meeting minutes, and the forms will be kept as documentation of the grant review.

As a grant reviewer, I certify that I have read and understand the descriptions of conflict of interest explained above and in OGM Policy 08-01. Check either box 1a or 1b **and** either box 2a or 2b.

- 1a. I have reviewed the list of applicants, and I do not have any conflicts of interest relating to this program's grant applicants or proposed projects.
- 1b. I have an ACTUAL, POTENTIAL, or PERCEIVED conflict of interest with the applicant(s) listed below. (Note: If you disclose a conflict, you must identify the applicant on this form, but a description is discretionary. Under Minnesota Statute 13.599, this form is considered public data.)

Applicant	Type of Conflict (ACTUAL, POTENTIAL, or PERCEIVED)	Description of Conflict (optional)

- 2a. After reviewing this form and OGM Policy 08-01, I CHOOSE to participate in this review process.
- 2b. After reviewing this form and OGM Policy 08-01, I CHOOSE NOT to participate in this review process. I will avoid discussing the applicant and/or applications from organizations with which I have disclosed a conflict of interest with other reviewers.

Reviewer's printed name: _____

Reviewer's signature: _____

Date: _____

Reviewer's Organization/Agency: _____

Revised, 5/13



Conflict of Interest Disclosure Form for Board Members

Grant Program: FY 2016 & 2017 Clean Water Fund Non-Competitive Grants to SWCDs for Local Capacity Services and TSAs for Enhanced Shared Technical Services

Name of Review Group: Board of Water and Soil Resources

Before any review of grant applications, the chair of the meeting shall make this statement about conflict of interest:

Chair 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."

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Please read the definitions of conflict of interest below and mark the appropriate boxes that pertain to you and your status as a reviewer of applications for this grant program.

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An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.

POTENTIAL CONFLICT OF INTEREST:

A potential conflict of interest may exist if a grant reviewer has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.

PERCEIVED CONFLICT OF INTEREST:

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist.

At a minimum, all internal parties who are involved in the grant review or grant management process must be made aware that an actual, potential, or perceived conflict has been disclosed and evaluated, even if it is not serious enough to remove or reassign the employee or grant reviewer. After reviewers have signed the conflict of interest form, therefore, the conflicts--if any--that have been disclosed shall be announced to the reviewing body as a whole. Disclosed conflicts and their resolution will also be noted in the meeting minutes, and the forms will be kept as documentation of the grant review.

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Reviewer's printed name: _____

Reviewer's signature: _____

Date: _____

Reviewer's Organization/Agency: _____

Revised, 5/13



Conflict of Interest Disclosure Form for Board Members

**Grant Program: FY17 SWCD Programs & Operations and Non-Point Engineering Assistance
Grant Allocations**

Name of Review Group: Board of Water and Soil Resources

Before any review of grant applications, the chair of the meeting shall make this statement about conflict of interest:

Chair 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."

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Please read the definitions of conflict of interest below and mark the appropriate boxes that pertain to you and your status as a reviewer of applications for this grant program.

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A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist.

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Reviewer's printed name: _____

Reviewer's signature: _____

Date: _____

Reviewer's Organization/Agency: _____

Revised, 5/13



Conflict of Interest Disclosure Form for Board Members

Grant Program: FY17 Natural Resources Block Grant

Name of Review Group: Board of Water and Soil Resources

Before any review of grant applications, the chair of the meeting shall make this statement about conflict of interest:

Chair 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."*

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Reviewer's printed name: _____

Reviewer's signature: _____

Date: _____

Reviewer's Organization/Agency: _____

Revised, 5/13



Conflict of Interest Disclosure Form for Board Members

Grant Program: Red River Basin Commission 2016 Funding

Name of Review Group: Board of Water and Soil Resources

Before any review of grant applications, the chair of the meeting shall make this statement about conflict of interest:

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Reviewer's printed name: _____

Reviewer's signature: _____

Date: _____

Reviewer's Organization/Agency: _____

Revised, 5/13



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Dispute Resolution Committee Report

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Programs and Policy/Central

Contact: Travis Germundson

Prepared by: Travis Germundson

Reviewed by: _____ Committee(s)

Travis Germundson

Presented by: Gerald Van Amburg

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

None

LINKS TO ADDITIONAL INFORMATION

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 BWSR.

Dispute Resolution Report
June 10, 2016
By: Travis Germundson

There are presently **11** appeals pending. All of the appeals involve WCA. There has been **1** new appeal filed since the last report (May 25th Board Meeting).

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 16-6 (5-27-16) This is an appeal of a restoration order in Wabasha County. The appeal regards the unauthorized impacts to approximately 61 acres of wetland associated with the placement of agricultural drain tile. No decision has been made on the appeal.

File 16-5 (4-28-16) This is an appeal of an exemption and no-loss decision in Olmsted County. The appeal regards the denial of an exemption and no-loss application for agricultural activities resulting in 4.6 acres of wetland impact. The applications were submitted in conjunction with an appeal of a restoration order (File 15-7). The appeal has been placed in abeyance pending the outcome of a local appeal proceedings.

File 16-4 (4-18-16) This is an appeal of an exemption decision in Wright County. The appeal regards the denial of an exemption application for repair of a pre-existing drain tile system that will partially drain 5-10 acres of wetland. A decision has been made to grant and hear the appeal. Wright County is currently in the process of compiling the official record.

File 16-3 (4-9-16) This is an appeal of a replacement plan decision in Hennepin County. The appeal regards the denial of a replacement plan application by the City of Deephaven for wetland impacts associated with the construction of signal family residential structure. A decision has been made to grant and hear the appeal. A Pre-hearing Conference has been scheduled for June 27, 2016.

File 15-10 (10-14-15). This is an appeal of a restoration order in Chisago County. The appeal regards the unauthorized placement of fill in a wetland resulting in approximately 1.5 acres of impact. The alleged impacts are associated with the construction of motor cross/ATV track. The appeal has been placed in abeyance and the restoration order stayed for the Technical Evaluation Plan to convene on site and develop written findings of fact on the area of impact.

File 15-9 (9-17-15) This is an appeal of a replacement plan decision in Crow Wing County. The appeal regards the denial of a replacement plan application for wetland impacts associated with the construction of a residential driveway and structure within the Shoreland Management District of South Long Lake. A previous decision approving a similar replacement plan application had been appealed (File 15-5). The appeal was remanded for additional technical evaluation on impact avoidance including a no-build alternative, and now the current denial is being appealed. The parties have been unable to reach a settlement agreement and have requested to move forward with filing of

written briefs and a hearing before the DRC. A hearing has been scheduled before the Dispute Resolution Committee for Monday August 22nd at 1:00 PM here in St. Paul.

File 15-7 (7-20-15) This is an appeal of a Restoration Order in Olmsted County. The appeal regards the unauthorized placement of drain tile in a purported wetland. Applications for exemption and no-loss determinations have been submitted to the local unit of government concurrently with the appeal. The appeal has been placed in abeyance until the LGU makes a final decision on the applications for exemption and no-loss. That decision has been appealed (File 16-5). The appeal will remain in abeyance until there is a final decision on the exemption and no-loss appeal.

File 14-6 (5-28-14) This is an appeal of a replacement plan decision by DNR Land and Minerals involving the Hibbing Taconite Mine and Stockpile Progression and Williams Creek Wetland Mitigation. The appeal regards the approval of a wetland replacement plan application for mining related activities. A similar appeal was also filed simultaneously with DNR under procedures required for permit to mine. The appeal has been placed in abeyance for completion of DNR's contested case proceedings. DNR's February 11, 2016 final decision has been appealed to the Court of Appeals. The appeal will remain in abeyance pending judicial review.

File 14-4 (4-28-14) This is an appeal of a restoration and replacement order in McLeod County. The appeal regards alleged drainage improvements associated with the excavation of a private drainage system. At issue is a prior exemption determination. The appeal was placed in abeyance and the restoration and replacement orders stayed for the LGU to make a final decision on the after-the-fact wetland applications. The applications were determined to be approved by operation of law under Minn. Stat. §15.99. That decision has been appealed (File 14-9). The appeal will continue to be held in abeyance until there is a final decision by the Court of Appeals on File 14-9.

File 11-1 (1-20-11) This is an appeal of a restoration order in Hennepin County. The appeal regards the filling of approximately 1.77 acres of wetland and 0.69 acres of excavation. The appeal has been placed in abeyance and the restoration order stayed until there is a final decision on an after-the-fact wetland application and confirmation of required mitigation. Site certification is scheduled to take place during the 2016 growing season.

File 09-10 (7-9-09) This is an appeal of a banking plan application in Aitkin County. The appeal regards the LGU's denial of a banking plan application to restore 427.5 acres of wetlands through the use of exceptional natural resource value. The appeal has been accepted and settlement discussions are on hold while the appellant addresses permitting issues with the Corps of Engineers. The appeal has been placed in abeyance by mutual agreement. A revised wetland bank plan application has been approved with conditions. Those conditions require the approval of partial ditch abandonment along with a Conditional Use Permit for alterations in the floodplain.

Summary Table

Type of Decision	Total for Calendar Year 2015	Total for Calendar Year 2016
Order in favor of appellant		
Order not in favor of appellant	4	1
Order Modified		
Order Remanded	1	
Order Place Appeal in Abeyance	4	2
Negotiated Settlement		1
Withdrawn/Dismissed	2	

COMMITTEE RECOMMENDATIONS

Administrative Advisory Committee

1. Board Order for a Hearing: Thirty Lakes Watershed District Petition for Termination of a Watershed District – Travis Germundson – ***DECISION ITEM***



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Order for a Public Hearing on a Termination of a Watershed District

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Northern Regional Committee

Contact: Travis Germundson

Prepared by: Travis Germundson

Reviewed by: Administrative Advisory Committee Committee(s)

Presented by: Brian Napstad/Travis Germundson

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Contingent on the Administrative Advisory Committee recommendation, Board authorization is needed to schedule and hold a public hearing on the petition for termination of the Thirty Lakes Watershed District (TLWD) pursuant to Minn. Stat. §103D.27.

LINKS TO ADDITIONAL INFORMATION

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

BWSR recently approved the TLWD’s Revised Watershed Management Plan on September 23, 2015. The Plan specifically incorporated the Northern Regional Committee’s recommendation to complete an evaluation of the purpose and need for the District. The District generated an evaluation report and developed a public communication plan that was endorsed by BWSR staff. The written report provided an analysis of the original purpose of the District, current resource needs, existing water management authorities, and potential gaps in water quality management responsibilities. The report concluded that with the duplication of services by other government agencies the TLWD should be dissolved.

As a result of an extensive communication plan, the BWSR received a Petition for Termination on May 19, 2016 from Crow Wing County on behalf of 1,107 resident owners. The Petition states that the current existence of the TLWD does not benefit the public welfare and public interest, and the District is not needed to accomplish the purpose of the Minnesota Statute 103D.

Resolutions supporting the termination have been adopted by Crow Wing County and Lake Edward Township. Staff have determined that the petition is valid and recommend that the Board order a hearing to be presided over by the Northern Regional Committee.

Minnesota Board of Water and Soil Resources
520 Lafayette Road North
Saint Paul, MN 55155

In the Matter of the Termination Petition
for the Thirty Lakes Watershed District
pursuant to Minnesota Statute § 103D.271

**ORDER
TERMINATION OF A
WATERSHED DISTRICT
HEARING**

Whereas, a Petition was filed with the Board of Water and Soil Resources (Board) on May 19, 2016 by Crow Wing County on behalf of 1,107 resident owners within the District, to terminate the Thirty Lakes Watershed District (TLWD), pursuant to Minn. Stat. §103D.271, and;

Whereas, the Board has completed its review of the Petition;

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

FINDINGS OF FACT

1. **Termination Petition Filing.** The Petition and supporting information was filed with the Board on May 19, 2016 by Crow Wing County on behalf of numerous residents within the district. The Petition was signed by 1,107 residents consisting of 35.5% of resident owners residing in the TLWD pursuant to Minn. Stat. §103D.271, Subd. 4.
2. **Certification of Petitioner Signature.** On May 13, 2016, Mark B. Liedl, Crow Wing County Land Services Director verified that the number of requisite signature has been met pursuant to Minn. Stat. §103D.271 Subd. 4. The Land and Services Director has been delegated the County Auditor duties by the Crow Wing County Board of Commissioners.
3. **Property Description.** The territory of the TLWD is approximately 70 square miles and located entirely with Crow Wing County. Incorporating all or parts of the Cities of Breezy Point and Nisswa and the Townships of Lake Edward, Center, Pelican, and Mission.
4. **Frequency of Termination Petition.** The Board has not accepted a termination petition for the TLWD within the past five years, pursuant to Minn. Stat. §103D.271, Subd. 3.

5. **Reasons for Termination.** The Petition and supporting information list the following reasons for termination of the TLWD:
 - a) The TLWD was established in 1971 to address lake water quality, lakeshore development, stormwater management, and septic system regulations.
 - b) The original water resource management purposes of the TLWD are currently being addressed by other governmental agencies.
 - c) The TLWD has primarily diverted its efforts towards water quality testing on area lakes.
 - d) The TLWD has initiated a limited number of projects since the District was created and is not responsible for ongoing maintenance costs of any project.
 - e) The TLWD has not taxed property owners since 2012 due to lack of projects and excess fund reserves.
 - f) The TLWD has initiated an effective communication plan resulting in adequate support for termination of the District among resident owners.
 - g) The continued existence of the TLWD does not benefit the public welfare and public interest, and the TLWD is not needed to accomplish the purpose of Minn. Stat. §103D.
6. **Resolutions of Support.** Resolutions supporting the termination of the TLWD have been adopted by Crow Wing County and Lake Edward Township. Furthermore, the TLWD passed a motion supporting the conclusion of the evaluation report that supports dissolution of the watershed district.
7. **Staff Recommendation.** Staff has determined that petition is valid pursuant to Minn. Stat. § 103D.271.
8. **Hearing Panel.** Board members of the Northern Regional Committee should preside over the hearing and bring a recommendation to the Board.
9. **Hearing Time.** The Executive Director should determine the date of the hearing after coordinating with the appropriate parties.
10. **Hearing Location.** The public hearing should be held at Lake Edward Town Hall in Crow Wing County. The facility is located within the watershed boundary pursuant to 103D.271, Subd. 7. If scheduling conflicts arise the Executive Director should choose another suitable location.

CONCLUSIONS

1. The Petition for Termination of the TLWD is valid in accordance with Minn. Stat. §103D.271.
2. All relevant, substantive and procedural requirements of law and rule have been fulfilled.
3. The Board has proper jurisdiction in the matter of ordering a public hearing on the termination of the TLWD.
4. The hearing on the Petition for Termination of the TLWD should be presided over by the Northern Regional Committee.
5. The Executive Director shall make a decision on the date of the public hearing after coordinating with the appropriate parties.
6. The public hearing shall be held at the Lake Edward Town Hall located at 23977 County Road 4, Nisswa Minnesota.
7. If scheduling conflicts arise the Executive Director shall choose another suitable location.

ORDER

The Board hereby orders a public hearing be held on the Petition for Termination of the Thirty Lakes Watershed District to be presided over by the Northern Regional Committee at a date, time, and location to be determined by the Executive Director.

Dated at Saint Paul, Minnesota this 22nd day of June, 2016.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: _____
Brian Napstad, Chair



MEMORANDUM

Land Services

TO: Travis Germundson, BWSR
FROM: Chris Pence, TLWD District Administrator
DATE: May 13, 2016
SUBJECT: TLWD Petition to Terminate

The Thirty Lakes Watershed District (TLWD) has submitted a petition to Crow Wing County for the termination of the District. The County has determined that there are 3,119 resident full time property owners in the District eligible to sign the petition. A total of 1,107 signatures have been obtained as of May 13, 2016 – this equates to a 35.5% rate compared to the 25% requirement in Minnesota Statutes 103D.271. The petition has been certified by Mark Liedl, Land Services Director. Director Liedl has been delegated the duties of the County Auditor by the County Board.

Attached with this memo are the following documents:

- BWSR Approves 10 Year Plan (September 23, 2015)
 - Order Attached
- TLWD 10 Year Report
 - Goal 4.7.1 – Apply statutory authorities in ways that protect and enhance safety, commerce, and natural resources.
 - **Objective D** – Monitor the effectiveness and efficiency of TLWD programs and services.

Actions will include the following:

1. Evaluate the purpose and need of TLWD pursuant to the following items
 - a. Review the original purpose of the District regarding water quality, stormwater, septic systems and garbage issues for which it was originally established.
 - b. List and review current water resource needs including continued water quality data collection, on-going project maintenance, coordination with Crow Wing County, Nisswa and Breezy Point regarding stormwater and septic along with maintaining forest cover.
 - c. Identify existing water management authorities including but not limited to Breezy Point, Nisswa, Crow Wing County, Crow Wing SWCD, MPCA, DNR, and COE.
- TLWD Evaluation Report Approved – Managers Recommend Termination (January 11, 2016)
 - Minutes of 1.11.16 regular meeting attached

Our Vision: Being Minnesota's favorite place.

Our Mission: Serve well. Deliver value. Drive results.

Our Values: Be responsible. Treat people right. Build a better future.

- TLWD Memo – Communication Plan Approved (March 14)
 - Minutes of 3.14.16 regular meeting attached
- BWSR Letter Acknowledging Communication Plan (March 21)
- Communication Plan Begins
 - March 14, 2016 – Press Release to Brainerd Dispatch about Petition Process
 - March 14, 2016 – On-Line Survey Begins
 - Summary of Survey Attached
 - March 31, 2016 – Letter #1 – Background / General Information
 - April 12, 2016 – Letter #2 – Impact of Property Owner/Taxes – Petition Included
 - April 19, 2016 – Public Meeting - Lake Edward Townhall – 6:30 p.m.
 - Press Release (sent out April 14, 2016)
 - Meeting Agenda
 - Meeting Minutes
 - Meeting Publication
 - Brainerd Dispatch article about meeting (April 21)
 - April 26, 2016 – Letter #3 – Final Letter / Reminder of Process
 - Attachments Include:
 - Press Release to Brainerd Dispatch and Echo
 - Three Letters Mailed
 - Petition
 - 2 Infographics
 - Tax comparisons
- County Board Adopts resolution supporting termination (May 10)
- Lake Edward Township adopts resolution supporting termination (May 10)
- Brainerd Dispatch Article regarding District Termination (May 12)
- TLWD submits petition and supporting documentation to BWSR via US Mail and e-mail.



May 13, 2016

Board of Water and Soil Resources
Travis Germundson
520 Lafayette Road North
St. Paul, MN 55155

Déar Travis:

Please accept this letter as notification that Crow Wing County has received a petition to dissolve the Thirty Lakes Watershed District (TLWD). After checking the names on the petition, the number of requisite signatures has been met according to Minnesota Statute 103D.271, and the petition has been verified.

If you have any questions, please advise.

Sincerely yours,

Mark B. Liedl
Land Services Director

Mark B. Liedl, Director
Land Services Department
322 Laurel Street, Suite 15
Brainerd, MN 56401

Office: (218) 824-1010
Fax: (218) 824-1126
www.crowwing.us

Our Vision: Being Minnesota's favorite place.
Our Mission: Serve well. Deliver value. Drive results.
Our Values: Be responsible. Treat people right. Build a better future.

Section 1 **Original Purpose Review**

The Thirty Lakes Watershed District (TLWD) was established on May 18, 1971. In the early 1960's, Colonel Carl Junge (Pelican Lake, Lincoln Point), Neva Hubbell (Pelican Lake) and Eleanor Nolan (Pelican Lake) formed the Coalition of Lakes Association. Colonel Junge's original intent was to control the water level of lakes in the Pelican Lake area through the construction of a ditch system.

Neva Hubbell subsequently conducted a study of the ditch system constructed between Pelican and Ossawinnamakee Lake in the 1960's to evaluate the feasibility of Junge's proposed ditch system. Through much debate it was determined that the data generated by Hubbell supported a plan to manage lakes by existing structures rather than be controlled by the proposed series of ditches. In 1968, the Coalition of Lakes Association began petitioning for the establishment of a Watershed District to manage the area lakes.

The Thirty Lakes Watershed District was established by Order of the Minnesota Water Resources Board on May 18, 1971 in response to two nominating petitions. One petition, signed by 316 freeholders, was filed with the Minnesota Water Resources Board on August 7, 1970. A similar petition, signed by the Board of Commissioners of Crow Wing County, was filed with the Minnesota Water Resources Board on August 17, 1970.

The nominating petition indicated the need for a Watershed District to address lake water quality concerns, increased lakeshore development, stormwater management, septic system regulation, prevalence of swimmer's itch and garbage in the lake including beer and pop cans.

The District is located in west central Crow Wing County and covers approximately 70 square miles (7% of Crow Wing County); approximately 60% of the District is covered by surface water. It also happens to be the smallest watershed district in the state and the furthest north except for the Red River Valley. The District's major lakes include: Clark, Edward, Gladstone, Horseshoe, Hubert, North Long and Pelican. The following communities and townships lie partially or wholly in the District: the Cities of Breezy Point and Nisswa, Unorganized Territory (First Assessment), Lake Edward, Center, Pelican and Mission Townships.

Section 2 **Current Resource Needs / Existing Water Management Authorities/Gap Analysis**

<u>Watershed Duty</u>	<u>Existing Water Management Authority</u>
Lake Shore Development	CWC/Nisswa/Breezy Point/DNR
Stormwater Management	CWC/CWSWCD/MPCA/Nisswa/Breezy Point
Septic System Management	CWC/MPCA/Nisswa/Breezy Point
Garbage	Law Enforcement/CWC/MPCA
Swimmer's Itch	DNR
On-Going Project Maintenance	Breezy Point Resort/Point Place Timeshare/CWSWCD
Water Quality Testing	MPCA/CWC/CWSWCD

Section 2.1 Lake Shore Development

Crow Wing County, Breezy Point and Nisswa all have adopted shoreland management ordinances that meet the requirements of Minnesota Rules Chapter 6120 and have been approved by the DNR. Impervious coverage is the primary driver for water quality as higher amounts of impervious coverage increase stormwater runoff amounts. Studies show that water quality tends to begin to trend negatively when the average impervious surface on lake exceeds 15%. The Crow Wing County Land Services Department conducted an impervious study of larger lakes county-wide from 2012-2014 and the following is a summary of impervious coverage on the larger lakes within the TLWD.

- Gladstone- 4.8%
- Edward- 6.0%
- North Long- 6.2%
- Pelican- 6.9%
- Hubert- 8.0%
- Horseshoe 8.7%

As the numbers above show, impervious numbers on the large lakes within the TLWD are well below 15%. For those lots where impervious surface exceeds 15%, there are specific stormwater standards that must be met as listed below under the stormwater management heading. Generally, the water quality within the TLWD is stable or increasing. The Impervious Study can be located at: crowwing.us/925/Lakeshore-Impervious-Surface-Research-St

Section 2.2 Stormwater Management

Stormwater management is one of the most important things that can be done to protect the water quality of lakes, streams and rivers. Crow Wing County (CWC) adopted one of the most environmentally progressive land use ordinances in Minnesota in 2011 according to Minnesota Public Radio. The land use ordinance also won awards from the Minnesota Association of Counties (AMC) and the National Association of Counties (NACo). The ordinance required permanent stormwater best management practices and shoreline buffers for permits that exceed 15% impervious coverage limits. This ordinance also applies to properties located in the TLWD. In 2013, TLWD formally assigned all stormwater management requirements for the Townships to CWC, Nisswa and Breezy Point. Nisswa and Breezy Point have agreed to implement the CWC stormwater standards with technical assistance provided by CWC staff. Since 2011, 59 stormwater plans and 47 shoreline buffers have been implemented in the TLWD. Based on this, over 26 pounds of phosphorous has been prevented from entering lakes, streams and rivers in TLWD, which would equal to approximately 8,000 pounds of algae in District lakes.

Section 2.3 Septic System Management

Crow Wing County (CWC) has adopted a county wide ordinance that regulates septic systems according to Minnesota Rules Chapters 7080 – 7083. CWC has implemented higher standards than the State rule requiring larger minimum sized septic tanks and requiring new septic systems to be located further away from the lake. The Cities of Nisswa and Breezy Point are required to have an ordinance that is at least as restrictive as CWC. CWC has been tracking inspections on existing septic systems since 2008 and over 95% of all inspected septic systems have been compliant meeting both County and State requirements. Systems that are not complaint must be upgraded or abandoned within 10 months of the inspection.

Section 2.4 Garbage

The petition from 1971 stated there was a concern over the growing amount of garbage in the lake, particularly of pop and beer cans. The Minnesota Pollution Control Agency and local law enforcement agencies are responsible for enforcing littering laws, including in public waters. Crow Wing County also has adopted a solid waste management ordinance to manage issues of illegal dumping of solid waste within the county.

Section 2.5 Swimmer's Itch

Swimmer's itch is a temporary skin rash that is caused by an allergic reaction to microscopic parasites that are carried by waterfowl, semi-aquatic mammals, and snails. As a part of their life cycle, these parasites are released by infected snails into the water, where they may come in contact with people and burrow into their skin. Swimmer's itch is not caused by pollution but rather a normal life cycle that happens in the environment. The DNR has information related to swimmer's itch on its website:
www.dnr.state.mn.us/swimming/swimmersitch.html

Section 2.6 On-Going Project Maintenance

Most water quality projects that have been completed by TLWD have been through cost-share for riparian property owners to implement buffers or stormwater prevention plans. The on-going maintenance of this is the responsibility of the property owners. In 2010, TLWD worked with Breezy Point Resort and the Point Place Timeshare Association to implement stormwater best management practices. TLWD has agreements in writing from both entities stating they are responsible for long term on-going maintenance and not TLWD. Staff has reviewed office files and did not find any information regarding other past projects that TLWD is responsible to maintain.

Section 2.7 Water Quality Testing

The District began a lake water quality-monitoring program in 1972, starting with the major lakes in the District. The TLWD uses the "Trophic Status Index" (TSI) to measure the degree of aging (eutrophication) of each lake. TSI ranks lakes on a scale of 0 to 90; the higher the number, the more eutrophic a lake becomes. Since a major factor affecting water quality is climatic conditions, which vary, the TSI is not a permanent condition, but it provides a base from which to compare each lake's condition and monthly changes. It is possible to draw definite conclusions about the District's water quality by tracking each lakes entire database.

Of the Watershed duties listed above, this is the one area that an existing water management authority has not accepted complete responsibility. In 2010, the Minnesota Pollution Control Agency (MPCA) started reviewing water quality measures in all 81 major watersheds, including TLWD. In addition, Crow Wing County adopted a Local Water Management Plan (LWMP) in 2013 that includes the TLWD. This plan is a minor watershed analysis with goals and actions to protect and improve the water quality of Crow Wing County's lakes, rivers and streams. Part of this analysis included water quality data collected by the TLWD. Currently, the TLWD has entered into a three year contract with RMB Laboratories from Detroit Lakes, MN to conduct water quality testing through 2017.

Crow Wing County has dedicated staff to manage the LWMP and has the staff capacity to manage testing water quality within the boundaries of the TLWD. Currently, the TLWD Managers have the financial

capacity in reserve (current fund balance exceeds \$200,000) to delegate water testing authority to Crow Wing County for the next 20 years. Remaining TLWD funds would be solely dedicated to water quality testing within the District and would not be used for any other purpose.

Section 3 **Findings of Fact**

1. The Thirty Lakes Watershed District (TLWD) was approved by the State of Minnesota on May 18th, 1971 based on two submitted petitions: one from August 7, 1970 and August 17, 1970.
2. The TLWD was created to address the following issues:
 - a. Lake Shore Development
 - b. Stormwater Management
 - c. Septic System Management
 - d. Garbage
 - e. Swimmer's Itch
 - f. On-Going Project Maintenance
 - g. Water Quality Testing
3. Crow Wing County adopted a Shoreland Management Ordinance in 1971 and regulates all uses within 1000 feet of a lake, including all the lakes in the TLWD.
4. TLWD delegated stormwater management regulation to Crow Wing County, Nisswa and Breezy Point in 2014.
5. Crow Wing County has adopted a septic system ordinance and regulates all septic systems in the county including those located in the TLWD.
6. Crow Wing County adopted a Solid Waste Management Ordinance in 1994 and regulates the effective disposal of solid waste county-wide including property in the TLWD. The Minnesota DNR regulates illegal disposal of solid waste in all public waters statewide.
7. Swimmer's itch is not a pollution related issue but a rather a natural process in the life cycle of microscopic parasites. The Minnesota DNR has information about this on their website.
8. The TLWD has initiated a very limited number of projects since it was created and are not responsible for the on-going maintenance costs of any previous project.
9. The TLWD has conducted water quality testing on lakes within the district. There is ample funding (current fund balance exceeds \$200,000) to cover the cost of continued water quality testing and should be delegated to the Land Services Department as part of continued implementation of the Crow Wing County Local Water Management Plan. The County Water Plan includes a management plan for all of the TLWD.
10. The Minnesota Pollution Control Agency (MPCA) has implemented a plan in 2010 to manage and test the water quality in all 81 major watersheds in Minnesota every 10 years, including the TLWD.
11. The TLWD taxed the property owners within the District the following amounts from 2005 - 2016:
 - a. 2005 \$149,564
 - b. 2006 \$168,382
 - c. 2007 \$167,880
 - d. 2008 \$194,935
 - e. 2009 \$209,915
 - f. 2010 \$235,803

g. 2011	\$198,486
h. 2012	\$168,473
i. 2013	\$0
j. 2014	\$0
k. 2015	\$0
l. 2016	\$0
<u>TOTAL</u>	<u>\$1,493,438</u>

12. The TLWD was required by the Board of Water and Soil Resources starting in 2013 to spend down the fund reserves (current fund balance exceeds \$200,000), which exceeded the amount allowed by the Minnesota State Auditor. This action combined with the lack of projects resulted in a zero levy effective for the years 2013, 2014, 2015 and 2016.
13. The TLWD was created at a time when water resource management was in its infancy. Since that time, other water management authorities such as Crow Wing County, Nisswa, Breezy Point, ACOE, MPCA, DNR and the SWCD have implemented land use regulations that are effectively protecting the water resources within the TLWD. TLWD has served its purpose but is now an additional level of government that is duplicative in nature, and is no longer needed. The existing water management authorities listed above are effectively managing the issues that were raised by the original approved petition in 1971.
14. The taxpayers of the TLWD are being served well by the water management authorities listed above and will not sacrifice any of the public services provided by the watershed. In fact, the taxpayers of the watershed will be better served by receiving the services of the water authorities listed above while reducing taxes.

Section 4 **Conclusion**

Based on the finding of facts listed above, the TLWD Managers at a regularly scheduled meeting on January 11, 2016 passed a motion supporting the conclusion of this report including the finding of fact for the dissolution of the TLWD. The TLWD will now conduct an effective communication plan regarding this report according to the 10 Year Plan approved by BWSR. This plan will include multiple written communications mailed directly to each resident owner that resides in the district according to Minnesota Statute 103D.271, providing for both on-line and paper surveys/comment period to gauge citizen feedback and also hold published and legally noticed public meetings. This communication plan will be conducted in the spring of 2016.

COMMITTEE RECOMMENDATIONS

Northern Region Committee

1. Clearwater County Comprehensive Local Water Management Plan Amendment –
Gene Tiedemann – ***DECISION ITEM***



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Clearwater County Comprehensive Local Water Management Plan Amendment

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Northern

Contact: Chad Severts

Prepared by: Chad Severts

Reviewed by: Northern Regional Committee(s)

Presented by: Gene Tiedemann

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Approval of the Clearwater County Comprehensive Local Water Management Plan Amendment

LINKS TO ADDITIONAL INFORMATION

The amended Clearwater County Local Water Management Plan 2010 - 2020 can be found on the Clearwater SWCD web site at the link below.

[http://clearwaterswcd.org/2016%20Water%20Plan%20Amendment Draft.docx](http://clearwaterswcd.org/2016%20Water%20Plan%20Amendment%20Draft.docx)

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

On May 26, 2010, BWSR approved the Clearwater County Comprehensive Local Water Management Plan (Plan). Clearwater County (County) adopted a resolution January 20, 2015, to amend the Goals, Objectives and Action Items of the Plan. The County submitted the five-year amendment of the Plan to BWSR on May 17, 2016. Based on staff observations of the amendment process the County has satisfied the guidelines established by the BWSR as well as the requirements of Statute.

On June 8, 2016, the Northern Regional Committee met with the County representative and BWSR staff to review and discuss the Plan amendment. The Committee's decision was to recommend approval of the County Plan amendment to the full Board per the attached draft Order.

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

**ORDER
APPROVING
COMPREHENSIVE
LOCAL WATER
MANAGEMENT PLAN
AMENDMENT**

In the Matter of the review of the Comprehensive Local Water Management Plan Amendment for Clearwater County, pursuant to Minnesota Statutes Section 103B.315, Subdivision 6.

Whereas, on May 26, 2010, the Minnesota Board of Water and Soil Resources (Board), by Board Order, approved the Clearwater County 2010-2020 Comprehensive Local Water Management Plan (Plan); and

Whereas, this Board Order stipulated Clearwater County was required to update the goals, objectives, and action items of the Plan through amendment by May 26, 2015; and

Whereas, the Clearwater County Board of Commissioners of Clearwater County (County) submitted a Comprehensive Local Water Management Plan Amendment (Amendment) to the Board on May 17, 2016, pursuant to Minnesota Statutes Section 103B.314, Subdivision 6; and

Whereas, the Board has completed its review of the Amendment;

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

FINDINGS OF FACT

1. On January 20, 2015, the Board received a petition from the County stating its intent to amend its current Plan, pursuant to M.S. Section 103B.314, Subd. 6.
2. On April 7, 2016, the County provided proper notice to local units of government and state agencies of the County's intent to amend its current Plan and invited all recipients to participate in the amendment process.
3. On May 17, 2016, the Board received the Amendment, a record of the public hearing, and copies of all written comments pertaining to the Amendment pursuant to Minnesota Statutes, Section 103B.314, Subd. 6. The following summarizes state review agencies' written comments provided to Clearwater County.
 - A. Minnesota Department of Agriculture: supported the Amendment and offered information and guidance that will be used during the implementation of the Plan.
 - B. Minnesota Department of Health (MDH): supported the Amendment and offered a number of clarifications and additional plan connections to the MDH.
 - C. Minnesota Department of Natural Resources: supported the Amendment and offered and number of clarifications to the wording in the Plan and maps. The changes were included in the Amendment.

- D. Minnesota Pollution Control Agency: written comments were not received.
4. The County received written comments from Red Lake Watershed District on April 19, 2016, providing a number of clarifications, and additional information pertaining to water quality impairments that were incorporated into the Amendment.
 5. No other local government unit provided written comments to the County.
 6. **Northern Regional Committee.** On June 8, 2016, the Northern Regional Committee of the Board reviewed the Amendment. The Board's Committee representatives were Tom Schulz, Neil Peterson, Gerald Van Amburg, Brian Napstad, Gene Tiedemann, and Keith Mykleseth. Board staff in attendance were Northern Regional Manager Ryan Hughes, and Board Conservationist Chad Severts. The representative from the County was Nathan Nordland, the County Local Water Planner. Board regional staff provided its recommendation of approval to the Committee. After discussion, the Committee's decision was to present a recommendation of approval of the Amendment to the full Board.
 7. This Plan will be in effect until May 26, 2020.

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 Local Water Management Plan Amendment pursuant to Minnesota Statutes, 103B.315, Subd. 6.
3. The Amendment attached to this Order is in conformance with the requirements of Minnesota Statutes, Section 103B.301.

ORDER

The Board hereby approves the attached Amendment of the Clearwater County Comprehensive Local Water Management Plan 2010-2020. The plan will be in effect until May 26, 2020.

Dated at St. Paul, Minnesota, this twenty-second day of June, 2016.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Brian Napstad, Chair

2010 – 2020 Clearwater County Comprehensive Local Water Management Plan



Glossary of Acronyms

Acronyms and other labels used in the following section to identify potential funding sources, programs, lead agencies and supporting agencies are summarized below

BAJPB	:	Bemidji Area Joint Powers Board
BIA	:	Bureau of Indian Affairs
BMPs	:	Best Management Practices
BSU	:	Bemidji State University
BWSR	:	Minnesota Board of Water & Soil Resources
CRP	:	Conservation Reserve Program
CSP	:	Conservation Security Program
CWL	:	Clean Water Legacy Grants
DNR (div)	:	Minnesota Department of Natural Resources fsh -Fisheries, eco -Ecological Services, for -Forestry, wtr -Waters, wld -Wildlife
EPA	:	Environmental Protection Agency
ESD	:	Environmental Services Department
GIS	:	Geographic Information Systems
GRCD	:	Giziibii Resource Conservation & Development Association
HRDC	:	Headwaters Regional Development Commission
HWY	:	Highway Department
LA	:	Individual lake or watershed associations
LCCMR	:	Legislative-Citizen Commission on Minnesota Resources
MASWCD	:	Minnesota Association of Soil & Water Conservation Districts
MDA	:	Minnesota Department of Agriculture
MDH	:	Minnesota Department of Health
MG	:	Master Gardeners
MHB	:	Mississippi Headwaters Board
MnDOT	:	Minnesota Department of Transportation
NMF	:	Northwest Minnesota Foundation
NRCS	:	Natural Resources Conservation Service
PCA	:	Minnesota Pollution Control Agency
RL-DNR	:	Red Lake Reservation Department of Natural Resources
RLWD	:	Red Lake Watershed District
SSTS	:	Sub-Surface Sewage Treatment System
SWCD	:	Clearwater Soil & Water Conservation District
TMDL	:	Total Maximum Daily Load
TSA2	:	Technical Service Area 2 (North-central)
TWPs	:	Townships
UMEX	:	University of Minnesota Extension
USACE	:	United States Army Corp of Engineers
USFS	:	United States Forest Service
USGS	:	United States Geological Survey
WEDNR	:	White Earth DNR
WRWD	:	Wild Rice River Watershed District
USFWS	:	United States Fish & Wildlife Service

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Clearwater County Comprehensive Local Water Management Plan

I. Executive Summary

Over twenty years ago Clearwater County completed its first comprehensive local water plan. There have been tremendous efforts put forth by the County and its partners to achieve the goals described in earlier water plans, as well as to protect and enhance our soil, water and natural resources throughout Clearwater County. Major accomplishments of the first half of the plan are listed at the end of this section. Since comprehensive local water planning first began in Clearwater County, great strides have been made in the local water planning effort of our understanding of water quality and quantity issues, local cooperation, data collection and analysis, and the use of technology. To be truly successful in local water management we must strive to continuously educate our citizens and youth in the ongoing soil and water issues we face. It is the county's ability to implement and educate its citizens on corrective actions for the most important issues that have made Clearwater County a leader in water resource management in northern Minnesota.

This document is the 4th generation of Comprehensive Local Water Management Planning for Clearwater County. It is designed to address local water management planning for the next ten years in the county, and includes the results of the five-year comprehensive local water management plan update. Like previous water plan updates, there is significantly more known about the water and soil resources in Clearwater County, largely due to the efforts and goals generated by previous water planning efforts. The strategies developed for Clearwater County for the next ten years show a deeper understanding of the issues we face and will address in the upcoming years. For the purpose of this planning effort the Clearwater Soil & Water Conservation District is the delegated water planning authority for Clearwater County.

The purpose of the Clearwater Comprehensive Local Water Management Plan is to address soil and water issues throughout the entirety of the county, with the focus primarily on strategies for the three major watersheds in the county: Wild Rice River Watershed, Clearwater River Watershed, and Upper Mississippi River Watershed. For areas in the county not specifically addressed in this plan, all applicable conservation efforts will take place on an as needed basis. As an enhancement to previous plans, several strategies are now targeted to specific watersheds or county-wide management issues. Strategies developed for Water Quality, Land Use Impacts, and Exotic/Invasive Species Management are focused on in this plan, with coordination and education being stressed in each area of focus.

Scope

This water planning effort deals with both water quality and quantity issues for ground water as well as surface water, land use issues, and exotic/invasive species management issues. This process covers a wide range of concerns, but focuses on those that were viewed as most

important by the Water Plan Task Force and County Board. It focuses on the resources within Clearwater County, but acknowledges the County's role in the larger (regional or watershed) context.

Process

Developing this plan involved updating background information collected over the previous 3 planning processes, an initial assessment to determine areas where staff work should be focused on within each watershed, and a more detailed assessment of those selected issues. The final assessment resulted in the selection of the prioritized issues (Priority Concerns Scoping Document) to be addressed within the five-year action plan at the end of the report. An amended Plan of Action has been established for the remainder of the plan life.

The Priority Concerns Scoping Document and Action Plan identify actions addressing specific issues and geographic areas of Clearwater County. The comprehensive local water plan will serve as a tool to create even more detailed one-year plans (Annual Plan of Work) of action for the Clearwater Soil & Water Conservation District as well as county departments, state agencies, and other local parties.

The comprehensive local water management plan is a compilation of issues from a variety of groups and citizens of Clearwater County. An advisory committee – the Water Plan Task Force – oversaw the complete planning process. The task force met a number of times over the 1 ½ year timeline. In addition to task force meetings, committee members and local staff met with the Soil & Water Conservation District planning staff to discuss specific issues and concerns. Members of the public were invited to participate through public meetings at the beginning and end of the planning process. Public announcements were published in local media.

Amendments to the plan were completed at the midpoint of the plan under the direction of the Water Plan Task Force. The Plan of Action was updated to include new objectives and strategies to address current issues related to the priority concerns. New tools and processes were also utilized to prioritize resources and guide future implementation effort. These additions highlight the issues at hand in Clearwater County.

In the development of the final comprehensive local water management plan the Clearwater Soil & Water Conservation District made sure that this plan was consistent with local, state, and federal plans and objectives to avoid redundancy and make it easier to implement projects on the ground with our conservation partners and county residents. We will continue to work with both our government and non-government partners to ensure Clearwater County residents are getting the highest degree of efficiency and quality of work possible.

Contents

This plan is comprised of four primary sections. The first is the *Major Watershed Assessment* section which characterizes each watershed based upon land cover, land use, and population. Suggestions for best management practice implementation are also noted within this section. The second section of this document is the *Watershed Prioritization* section. This section utilizes a prioritization method to rank the level of disturbance or protection at a sub-watersheds level. This assessment provides a clear visual model that highlights areas where efforts can be focused

to restore or protect watersheds. The third section, the *Priority Concerns & Actions*, is the key component of the plan that puts the plan on “the ground”. It addresses the specific objectives and strategies that will be employed to address the four priority concerns of Clearwater County. Specific implementation strategies were selected by the Water Plan Task Force and County to protect, enhance, and restore the County’s water and natural resources for the next five years. The final section of the plan is the *Implementation Schedule* which presents the *Priority Concerns & Actions* in an easy to read framework.

1.	Surface Water Quality Protection and Enhancement	\$154,500
	<ul style="list-style-type: none"> A. Monitoring Water Quality in Clearwater County B. Educate Clearwater County citizens about water quality enhancement practices and soil stewardship C. Identification and Implementation of projects that improve surface water quality D. Coordinate and cooperate with other governing agencies and surrounding tribal reservations 	
2.	Drinking Water Source Protection	\$58,000
	A. Protect drinking water sources throughout Clearwater County	
3.	Exotic and Invasive Species Management	\$12,500
	A. Exotic and Invasive Species Management	
4.	Land Use Impacts on Water Quality	\$189,500
	<ul style="list-style-type: none"> A. Proper Land Management on Agricultural Lands B. Proper Management of Forest Resources C. Proper Land Management in Developed and Developing Areas 	
Total Annual Cost Estimate to Implement Plan		\$414,500

Recommended Amendments to Other Plans and Official Controls

To fully execute the Clearwater Comprehensive Local Water Management Plan as written it is imperative that both state and local governments are consistent in funding both projects and planning efforts on a year to year basis. The implementation of this plan can be achieved only if funding for the work described in the following pages is available and enough to cover both project and personnel costs. Secure funding is needed to ensure that quality projects are implemented in the most efficient way possible.

We will actively be working with all of our conservation partners to make any changes or additions to any existing plans on an as needed basis. Many of the issues/changes in our local planning process are addressed directly in the Plan of Action.

Relationship to Other Planning Efforts and Resolution of Conflict

Clearwater County's Water Plan has been designed to identify priority water resource issues in the county; its intent is to provide policy direction to other planning efforts undertaken for the county.

In order to fulfill this intent, Clearwater Soil & Water Conservation District will, on a regular basis, communicate the county's priorities to other organizations involved in the management of Clearwater County's water resources.

In the event a conflict may arise between one or more organizations, the Water Plan Coordinator will implement steps to resolve the conflict. This will be done through meetings with the organizations where conflicts of interest shall be identified and alternative options explored that are acceptable to all parties.

COMMITTEE RECOMMENDATIONS

Buffers, Soils and Drainage Committee

1. Buffer Program: Preliminary Policies and Authorizing Public Comment – Dave Weirens and Tom Gile - ***DECISION ITEM***



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Buffer Program Policies: Authorizing Public Review and Comment

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: _____

Contact: Dave Weirens

Prepared by: Dave Weirens

Reviewed by: Buffers, Soils and Drainage Committee(s)

Presented by: Dave Weirens and Tom Gile

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

The Board is requested to adopt the recommendation of the Buffers, Soils and Drainage Committee to authorize staff to request public review and comment on the preliminary Buffer Program Policies.

LINKS TO ADDITIONAL INFORMATION

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

Staff and the Buffers, Soils and Drainage Committee have made significant progress on implementing the Buffer Program, consistent with the schedule discussed by the Board in March. Seven policies necessary to provide direction for implementing this program have been developed and review by the Committee, these are:

- (1) Buffer Compliance Determination;
- (2) Buffer Law Reporting and Progress Tracking;
- (3) MS4 Exemption;
- (4) Alternative Practices Implementation;
- (5) Alternative Practices Approved by the Board;
- (6) Local Water resources Riparian Protection; and
- (7) Non-Implementation.

The next step in Buffer Program implementation is to make these preliminary policies available for public review and comment to inform continued development of by the Buffers, Soils and Drainage Committee and the Board.

Board Resolution # _____

Buffer Program Policies: Authorizing Public Review and Comment

WHEREAS, Minnesota Statutes 103B.101 authorizes the Board of Water and Soil Resources (BWSR) to coordinate water and soil resources planning and implementation activities of counties, soil and water conservation districts, watershed districts, watershed management organizations and other local units of government and to hold public hearings and adopt rules and orders necessary to execute its duties; and

WHEREAS, Minnesota Statutes Section 103F.48 establishes a riparian protection and water quality practices program, commonly referred to as the Buffer Law; and

WHEREAS, Minnesota Statutes, Section 103F.48, Subd. 3(a) provides that “landowners owning property adjacent to a water body adjacent to water body identified and mapped on a buffer protection map”; and

WHEREAS, Minnesota Statutes, Section 103F.48, subdivision 6(a) states “soil and water conservation districts must assist landowners with implementation of the water resource riparian protection requirements established in this section. For the purposes of this subdivision, assistance includes planning, technical assistance, implementation of approved alternative practices, and tracking progress toward compliance with the requirements”; and

WHEREAS, Minnesota Statutes, Section 103F.48, subdivision 5(4)(i), municipal separate storm sewer system (MS4), states landowners are exempt from the water protection requirements of this section if they are regulated by a national pollutant discharge elimination system/state disposal system (NPDES/SDS) permit under Minnesota Rules, chapter 7090, and provides water resources riparian protection; and

WHEREAS, Minnesota Statutes, Section 103F.48, subdivision 3(b) states landowners owning property used for cultivation adjacent to a water body identified on the state’s buffer protection maps may meet the requirements of the riparian buffer law by “adopting an alternative riparian water quality practice, or combination of structural, vegetative, and management practices, based on the Natural Resources Conservation Service Field Office Technical Guide or other practices approved by the board that provide water quality protection comparable to the buffer protection for the water body the property abuts”; and

WHEREAS, Minnesota Statutes, Section 103F.48, subdivision 4 provides the soil and water conservation districts must provide a summary of watercourses to local water management authorities by July, 1, 2017; and

WHEREAS, the Board is seeking public review and comment on the following preliminary policies to ensure transparency and openness in the implementation of the Buffer Law:

1. Draft Buffer Compliance Determination Policy (*Parcel and Bank Approach*)
2. Draft Buffer Law Reporting and Progress Tracking Policy
3. Draft MS4 Exemption Policy
4. Draft Alternative Practices Implementation Policy
5. Draft Alternative Practices Approved by the Board Policy
6. Draft Local Water Resources Riparian Protection Policy (*Other Watercourses*)
7. Draft Non Implementation Policy; and

WHEREAS, the BWSR Buffers, Soils and Drainage Committee reviewed these preliminary policies on May 19 and June 6 with a recommendation that staff conduct a public review and comment period of at least 30 days following the June 22, 2016 Board meeting.

NOW, THEREFORE, BE IT RESOLVED THAT, the Minnesota Board of Water and Soil Resources authorizes staff to request comments on the preliminary policies attached to this resolution.

By: _____

Brian Napstad, Chair
Minnesota Board of Water and Soil Resources

Attachments:

1. Draft Buffer Compliance Determination Policy (*Parcel and Bank Approach*)
2. Draft Buffer Law Reporting and Progress Tracking Policy
3. Draft MS4 Exemption Policy
4. Draft Alternative Practices Implementation Policy
5. Draft Alternative Practices Approved by the Board Policy
6. Draft Local Water Resources Riparian Protection Policy (*Other Watercourses*)
7. Draft Non Implementation Policy



Policy 1: Compliance Determinations (Parcel and Bank Approach)

Buffer Law Implementation

DRAFT: June 7, 2016

Background

Minnesota Statutes §103F.48, the Buffer Law, establishes buffer widths or required water quality benefits based on the classification of the waters identified on the Buffer Protection Maps. These widths are defined by the Buffer Law as follows:

- (1) *For all public waters, the more restrictive of:*
 - a) *a 50-foot average width, 30-foot minimum width, continuous buffer of perennially rooted vegetation; or*
 - b) *the state shoreland standards and criteria adopted by the commissioner under section [103F.211](#); and*
- (2) *For public drainage systems established under chapter 103E, a 16.5-foot minimum width continuous buffer as provided in section 103E.021, subdivision 1. The buffer vegetation shall not impede future maintenance of the ditch.*

This policy provides a consistent legal basis for the scale at which Soil and Water Conservation Districts (SWCDs) determine compliance. In addition, it provides clarification for the scale at which the entity “with jurisdiction” would pursue any necessary corrective actions.

Policy Need:

- 1) Landowners subject to monitoring or corrective actions need to know at what scale those determinations will occur.
- 2) It provides a consistent legal basis for the scale at which the Counties, SWCDs and Watershed Districts determine buffer compliance.

Statutory Basis

- Section 103F.48 Subd. 3(a). Water Resource protection requirements
- Section 103F.48, Subd. 6. Local implementation and assistance
- Section 103F.48 Subd. 7. Corrective Actions
- Section 103F.48 Subd. 8. Funding subject to withholding
- Section 103B.101 Subd. 12(a). Administrative Penalty Orders

Policy

It is the policy of the Board of Water and Soil Resources that SWCDs will perform compliance reviews at the following scales:

1. An overall status of “Compliant” or “Not Compliant” will be determined and tracked on a parcel basis as identified by a unique number or description.
2. Each bank, or edge, of a water body on an individual parcel will be reviewed independently to determine if an adequate buffer or alternative practice(s) has been installed.



Policy 2: Reporting and Progress Tracking

Buffer Law Implementation

DRAFT: June 7, 2016

Background

The Buffer Law requires Soil and Water Conservation Districts (SWCDs) to assist landowners with implementation of the water resource riparian protection requirements. This policy describes the specific activities which SWCDs must perform under Minnesota Statutes 103F.48.

SWCDs

- A. Must provide assistance to landowners which includes:
 - a. *planning assistance*
 - b. *technical assistance*
 - c. *implementation of approved alternative practices, and;*
 - d. *tracking progress toward compliance with the requirements.*

This policy provides a consistent process through which SWCDs can understand implementation expectations. It provides a framework for landowner compliance reviews and reporting by local governments. Guidance and tracking tools will also be developed to support SWCDs.

Policy Need:

- 1) Landowners need assurance of consistent and equitable enforcement of the Buffer Law.
- 2) SWCDs must collect information regarding compliance that can be used to measure progress on implementation.
- 3) The Board of Water and Soil Resources (BWSR) needs a clear basis for withholding funds from a water management authority or SWCD that fails to implement the law.

Statutory Basis.

- Section 103F.48, Subd. 6 Local implementation and assistance
- Section 103F.48, Subd. 8 Funding subject to withholding.
- 103B.101 Subd. 12(a) Administrative Penalty Orders.

Policy

It is BWSR's policy that SWCDs are required to provide reporting to BWSR to ensure they are "tracking progress towards compliance." This policy provides a consistent process through which SWCDs can understand those expectations. Progress reporting must be submitted as follows:

1. Progress reporting must be submitted by SWCDs on the following dates:

- a. February 1, 2017
 - b. May 1, 2018
 - c. August 1, 2018
 - d. November 1, 2018
2. Starting November 2, 2018 reporting must be submitted annually.
 3. SWCDs who commit to using the BWSR Buffer Compliance Tracking Tool, and provide all of the needed information to support it, will not be subject to the reporting requirements listed in Items #1 and #2.
 4. Starting November 2, 2018, ongoing tracking of all parcels subject to the Buffer Law will be reviewed by the SWCD at least once every five years to ensure riparian protections continue to be in place.
 5. Each SWCD will adopt a plan for ongoing tracking of compliance, posted to the SWCD website, no later than November 2, 2018.



Policy 3: MS4 Exemption

Buffer Law Implementation

DRAFT: June 7, 2016

Background

This policy provides direction to cities, townships, watershed districts, soil and water conservation districts (SWCD), counties and landowners regarding the implementation of Minnesota Statutes 103F.48, subdivision 5(4). This provision provides an exemption from the requirements of the Buffer Law if the following conditions are met:

- (1) The land is subject to a NPDES/SDS Program
 - a. municipal separate storm sewer system (MS4) permit; and
- (2) Water resources riparian protection is provided; and
- (3) The site is not inconsistent with the requirements of the state shoreland rules.

The MS4 permit does not have implicit riparian protections associated with the required components of the permit. As such, each MS4 permit holder may or may not have riparian protections comparable to the Buffer Law as either a part of the permit program itself or through some other form of local official controls.

The Minnesota Pollution Control Agency (MPCA) oversees the NPDES/SDS Programs and can provide information on entities regulated under this program including specific requirements.

Policy Need:

- 1) A MS4 permit does not have riparian protections as a required component of the permit holder's programs.
- 2) Landowners need to know if/how the MS4 Permittee (City/WD/Township) can provide a basis for validating compliance within the MS4 Permittee's jurisdiction.
- 3) The MS4 needs assurances that their mechanisms for providing riparian protections are sufficient to accomplish this optional objective.
- 4) SWCDs need to know, for progress tracking and compliance validation, if/how riparian protections are being provided for land subject the MS4 exemption.

Statutory Basis.

- Section 103F.48 Subd. 5(4)(i). Exemptions
- Section 103F.48 Subd. 7. Corrective Actions
- Section 103B.101 Subd. 12(a). Administrative Penalty Orders
- Section 103F.48 Subd. 9. Appeals and Validations of Penalty Orders

Policy

It is the policy of the Board of Water and Soil Resources that:

1. NPDES/SDS permittees are not required to take any action regarding the MS4 part of this exemption unless they wish to make it available to lands subject to their permit.
2. NPDES/SDS permittees that choose to take action regarding this exemption must:
 - a) have adopted and implemented a local official control that provides water resources riparian protection consistent with the Buffer Law and the state shoreland rule; or
 - b) have implemented an MS4 sponsored project(s) which provide comparable water quality benefit; and
 - c) provide a copy of a) or b) to the respective SWCD.



Policy 4: Alternative Practices Implementation

Buffer Law Implementation

DRAFT: June 7, 2016

Background

The Buffer Law allows use of alternative practices approved by the board on agricultural lands which provide comparable water quality benefit to that of a buffer.

A buffer, as described in the NRCS Field Office Technical Guide, provides treatment along the entire frontage of a water body where overland flows move towards the water resource. Buffers may also provide a surface water protection setback for application of pesticides and crop nutrients based on specific product label best management practices. In addition, a buffer's established root structure can provide shore and bank soil stability.

Policy Need

- 1) Provide a consistent basis for determining "comparable water quality benefit" including the scale at which these benefits will be assessed.
- 2) To establish a process for consideration of a proposed/implemented alternative practice(s) to be validated by the local SWCD per MS§103F.48 Subd. 3 (d).
- 3) SWCDs and local governments need to validate the adequacy of the alternative practices should corrective actions be needed.

Statutory Basis

Minnesota Statutes §103F.48, the Buffer Law, includes the following purposes:

- (1) protect state water resources from erosion and runoff pollution;
- (2) stabilize soils, shores, and banks; and
- (3) protect or provide riparian corridors.

The law allows use of alternative practices approved by the board on agricultural lands which provide comparable water quality benefit to that of a buffer as follows:

(b) A landowner owning property adjacent to a water body identified in a buffer protection map and whose property is used for cultivation farming may meet the requirements under paragraph (a) by adopting an alternative riparian water quality practice, or combination of structural, vegetative, and management practices, based on the Natural Resources Conservation Service Field Office Technical Guide or other practices approved by the board, that provide water quality protection comparable to the buffer protection for the water body that the property abuts. Included in these practices are retention ponds and alternative measures that prevent overland flow to the water resource.

For further reference:

- Section 103F.48 Subd. 3(b). Water Resource protection requirements
- Section 103F.48, Subd. 6. Local implementation and assistance
- Section 103F.48, Subd. 7. Corrective Actions
- Section 103F.48, Subd. 8. Funding subject to withholding
- Section 103B.101, Subd. 12(a). Administrative Penalty Orders

Policy

It is the policy of the Board of Water and Soil Resources that assessments of the water quality benefit provided by an alternative riparian water quality practice(s) for compliance with the water resources riparian protections of 103F.48 must be applied to each bank within a parcel and must:

1. Result in no area within a parcel without treatment of runoff discharging to the water resource;
2. Demonstrate protection from erosion and runoff pollution, including suspended solids, sediment and sediment associated materials;
3. Demonstrate stability of soils, and banks within a parcel; and
4. Achieve water quality benefit via documentation of: (a) the assessment method used; (b) a map or diagram of the practices; and (c) an estimate of the water quality protection comparable to the buffer for the water resource it abuts.



Policy 5: Other Alternative Practices Approved by the Board

Buffer Law Implementation

DRAFT: June 7, 2016

Background

The Buffer Law allows use of alternative practices approved by the board on agricultural lands which provide comparable water quality benefit to that of a buffer.

Policy Need:

- 1) A process must be established for Board of Water and Soil Resources (BWSR) Board consideration of alternative water quality practice(s) not found in the NRCS Field Office Technical Guide so they may be used as an alternative to the standard buffer widths.

Statutory Basis

Minnesota Statutes §103F.48, the Buffer Law, includes the following purposes:

- (1) protect state water resources from erosion and runoff pollution;
- (2) stabilize soils, shores, and banks; and
- (3) protect or provide riparian corridors.

This law allows use of alternative practices approved by the board on agricultural lands which provide comparable water quality benefit to that of a buffer as follows:

(b) A landowner owning property adjacent to a water body identified in a buffer protection map and whose property is used for cultivation farming may meet the requirements under paragraph (a) by adopting an alternative riparian water quality practice, or combination of structural, vegetative, and management practices, based on the Natural Resources Conservation Service Field Office Technical Guide or other practices approved by the board, that provide water quality protection comparable to the buffer protection for the water body that the property abuts. Included in these practices are retention ponds and alternative measures that prevent overland flow to the water resource.

For further reference:

- Section 103F.48 Subd. 3(b). Water Resource protection requirements
- Section 103F.48, Subd. 6. Local implementation and assistance
- Section 103F.48 Subd. 8. Funding subject to withholding
- Section 103B.101 Subd. 12(a). Administrative Penalty Orders

Policy

It is BWSR's policy that alternative practices which do not exist within the NRCS Field Office Technical Guide will be considered as follows:

1. Via an application made, in a format prescribed by the Board, for the purposes of evaluating:
 - A) Proposed practices that may provide comparable water quality protection; and
 - B) Methods that may serve as evidence that comparable water quality protections will be achieved.
2. Within 90 days of receiving a completed application, the BWSR Executive Director will convene an ad-hoc technical advisory team to review the proposed practice(s) or method(s) and will make a recommendation to the BWSR Buffers, Soils and Drainage Committee.
3. The ad-hoc technical team may include staff representation from the following agencies:
 - a. The Board of Water and Soil Resources
 - b. Minnesota Department of Natural Resources
 - c. Minnesota Pollution Control Agency
 - d. Minnesota Department of Health
 - e. Minnesota Department of Agriculture
 - f. The University of Minnesota
 - g. USDA – Natural Resources Conservation Service

The Executive Director may invite other experts to participate or provide input.

4. The BWSR Board will consider a recommendation from the Buffers, Soils and Drainage Committee for inclusion of the practice(s) or method(s) as a Board-approved alternative water quality practice within 90 days of a committee recommendation.



Policy 6: Local Water Resources Riparian Protection ("Other Watercourses")

Buffer Law Implementation

DRAFT: June 7, 2016

Background

The Buffer Law requires buffers or alternative practices to provide riparian protection for public waters and public drainage systems as identified on the Buffer Protection Maps. Recognizing that 'other watercourses' may benefit from installation of buffers or alternative practices to protect or improve water quality, the law also establishes a process for Soil and Water Conservation Districts (SWCDs) to initiate a **local water resources riparian protection** process that is then incorporated in local water management plans by local water management authorities.

Policy Need:

- 1) To provide assurance that the SWCD summary of watercourses (aka "other watercourses") that a local water management authority must incorporate into their plan is developed in a systematic and rational manner, based on watershed data, water quality, and land use information.
- 2) The local water management authority needs these assurances to sustain the credibility of their state-approved local water management plan when they seek state funds or pursue other endeavors that have a prerequisite of a state-approved local water management plan.

Statutory Basis

Minnesota Statutes §103F.48, Subd. 4. establishes a two-step sequential process as follows:

1. *In consultation with local water management authorities, on or before July 1, 2017, the soil and water conservation district shall develop, adopt, and submit to each local water management authority within its boundary a summary of watercourses for inclusion in the local water management authority's plan.*
2. *A local water management authority that receives a summary of watercourses identified under this subdivision must incorporate an addendum to its comprehensive local water management plan or comprehensive watershed management plan to include the soil and water conservation district recommendations by July 1, 2018. The incorporation of the summary of watercourses provided by the soil and water conservation district does not require a plan amendment as long as a copy of the included information is distributed to all agencies, organizations, and individuals required to receive a copy of the plan changes. A local water management authority that receives a summary of watercourses identified under this subdivision must address implementation of the soil and water conservation district recommendations when revising its comprehensive local water management plan as part of a regularly scheduled update to its comprehensive local water management plan or development of a comprehensive watershed management plan under section 103B.801.*

For further reference:

- Section 103F.48, Subd. 6. Local implementation and assistance
- Section 103F.48, Subd. 8. Funding subject to withholding
- Chapters 103B, 103D. Water plan review and approval elements

Policy

It is the policy of the Board of Water and Soil Resources that each SWCD must:

1. Consult with the local water management authorities within its jurisdiction.
2. Consider watershed data, water quality and land use information.
3. Assess the water quality benefits that buffers or alternative practices could provide to local water resources that were not included on the Buffer Protection Map.
4. Prepare a rationale or policies for inclusion or exclusion of waters that were not included on the Buffer Protection Map prior to adoption of the summary of watercourses.
5. Adopt a resolution establishing the summary of watercourses in map or list form and submit it to all local water management authorities within their jurisdiction and to BWSR by July 1, 2017.



Policy 7: Failure to Implement (Amended to replace Board Resolution 15-95)

Buffer Law Implementation

DRAFT: June 7, 2016

Background

Mn Statutes 103F.48, as amended by Laws of Minnesota 2016, Chapter 85, establishes a requirement for landowners to maintain a buffer on or before the dates and widths as follows:

- November 1, 2017 – 50-foot average width, 30-foot minimum width, buffers must be in place on lands adjacent to public waters as identified and mapped on a buffer protection map (Subd. 2(e)(1))
- November 1, 2018 – 16.5-foot minimum width buffers must be in place on lands adjacent to public ditches as identified and mapped on a buffer protection map (Subd. 2(e)(2))

This law also includes prescribed assistance and monitoring roles for SWCDs and elected enforcement authorities for Counties and Watershed Districts. The law also provides for a Board of Water and Soil Resources (BWSR) compliance role where a county or watershed district do not accept jurisdiction and for BWSR to take steps if a local government fails to implement their prescribed or elected duties.

Policy Need:

- 1) Local governments required to carry out duties or elect jurisdiction under the Buffer Law need to know what the standard is for sufficient implementation.
- 2) To provide a consistent basis for potential BWSR actions to withhold funding for insufficient implementation of statutory responsibilities.

Statutory Basis

The relevant provisions are:

Minnesota Statutes 103F.48, Subd. 8. **Funding subject to withholding.**

The board may withhold funding from a local water management authority with jurisdiction or a soil and water conservation district that fails to implement this section, or from a local water management authority that fails to implement subdivision 4. Funding may be restored upon the board's approval of a corrective action plan.

Minnesota Statutes 103F.48, Subd. 7. **Corrective actions.**

(b) A county or watershed district exercising jurisdiction under this subdivision and the enforcement authority granted in section 103B.101, subdivision 12a, shall affirm their jurisdiction and identify the ordinance, rule, or other official controls to carry out the compliance provisions of this section 5 and section 103B.101, subdivision 12a, by notice to the board prior to March 31, 2017. A county or watershed district must provide notice to the board at least 60 days prior to the effective date of a subsequent decision on their jurisdiction.

(c) (2nd sentence) If a county or watershed district with jurisdiction over the noncompliant site has not adopted a plan, rule, ordinance, or official control under this paragraph, the board must enforce this section under the authority granted in section 103B.101, subdivision 12a.

Minnesota Statutes 103F.48, Subd. 8 applies to SWCDS and local water management authorities. Local water management authority is defined as (Minn. Stat. 103F.48, Subd 2(g)): a watershed district, metropolitan water management organization, or county operating separately or jointly in its role as a local water management authority under chapter 103B or 103D. Therefore the local governments that Subd. 8 applies to are: SWCDS, counties, watershed districts, and metropolitan watershed management organizations.

Minnesota Statutes 103F.48 establish the following authorities and responsibilities for local governments to implement the Buffer Law:

SWCDS

- A. May issue a validation of compliance when requested by a landowner. (Subd. 3(d))
- B. Must develop, adopt and submit to each local water management authority a summary of watercourses (aka "other watercourses) by July 1, 2017 for inclusion in the local water management authorities' plan. (Subd. 4)
- C. Must assist landowners with implementation of the water resource riparian protection requirements including: planning, technical assistance, implementation of approved alternative practices, and tracking progress towards compliance with the requirements provided in Minnesota Statutes 103F.48, Subd. 3. (Subd. 6)
- D. Must notify the county or watershed district with jurisdiction when it determines a landowner is not in compliance. (Subd. 7)
- E. Must grant a conditional waiver to a landowner: (a) who has applied for and maintained eligibility for financial assistance within one year of the compliance dates in Minnesota Statutes 103F.48, subd. 3(e); or (b) are subject to a drainage proceeding. (Laws of Minnesota 2015, 1st Special Session, Chapter 4, Article 4, Section 146).

Counties and Watershed Districts

- A. Must incorporate the SWCD summary of watercourses (aka "other watercourses") recommendations into its comprehensive local water management plan by July 1, 2018. (Subd. 4)
- B. If electing jurisdiction to enforce the buffer requirement as identified on the Buffer Protection Map, must provide the landowner with a list of corrective actions needed to come into compliance and a practical timeline to meet the riparian protection requirements when notified by the SWCD that a landowner is not in compliance. A copy of the corrective action must be provided to BWSR. (Subd. 7(a))
- C. Elect to accept jurisdiction* and identify the ordinance, rule, or other official controls to carry out the compliance provisions of section 103F.48 and section 103B.101, subdivision 12a, by notice to the board prior to March 31, 2017 (Subd. 7(b)). May adopt an administrative penalty order plan. (Subd. 7(b))

* If a county or watershed district with jurisdiction over the noncompliant site has not adopted a plan, rule, ordinance, or official control under this paragraph, the board must enforce this section under the authority granted in section 103B.101, subdivision 12a.

Metropolitan Watershed Management Organizations

- A. Must incorporate the SWCD summary of watercourses (aka "other waters") recommendations into its comprehensive watershed management plan by July 1, 2018. (Subd. 4)

Policy

It is BWSR's policy that failure to implement/non-implementation of the Buffer Law is defined as when a county, watershed district, metropolitan watershed management organization or SWCD has been determined not to have been implementing one or more of the statutory duties listed above.

Activities not Subject to Failure to Implement

All other activities conducted by a SWCD, county, watershed district, or metropolitan water management organization, separately or jointly, that is associated with coordinating activities, collecting and sharing information, education and outreach to landowners, providing financial assistance, and carrying out other statutory authorities are not to be considered required implementation under Minn. Stat. 103F.48 and as such will not be considered as part of a failure to implement/non-implementation determination by BWSR.

COMMITTEE RECOMMENDATIONS

Grants Program & Policy Committee

1. FY 2017 Buffer Law Funding Allocations – Doug Thomas – ***DECISION ITEM***
2. FY 2016 & 2017 Clean Water Fund Non-Competitive Grants to SWCDs for Local Capacity Services and TSAs for Enhanced Shared Technical Services – Doug Thomas – ***DECISION ITEM***
3. FY17 SWCD Programs & Operations and Non-Point Engineering Assistance Grant Allocations – Wayne Zellmer – ***DECISION ITEM***
4. Proposed FY 2017 Natural Resources Block Grant – Wayne Zellmer - ***DECISION ITEM***
5. Red River Basin Commission 2016 Funding – Jim Haertel – ***DECISION ITEM***
6. Erosion Control and Water Management Program Policy Amendment – Pete Waller – ***DECISION ITEM***
7. USDA-NRCS Regional Conservation Partners Program (RCPP) Project – Matt Drewitz and Al Kean – ***DECISION ITEM***
8. FY17 CWF Competitive Grants Program Authorization – Marcey Westrick – ***DECISION ITEM***



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: FY 2017 Buffer Law Funding Allocations

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: _____

Contact: Doug Thomas/Jim Haertel

Prepared by: Doug Thomas

Reviewed by: Grants Program and Policy Committee(s)

Presented by: Doug Thomas

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Approve the non-competitive grant allocations that have been developed to support SWCD implementation of new buffer law. Authorize staff to finalize, distribute and promote a SWCD request for funding to implement the FY 2017 Buffer Law program consistent with the provisions of appropriations enacted in 2015, Minn. Stat. 103B.3369, and Board resolution. Authorize staff to execute grant agreements with individual SWCDs after receipt and approval of requests for funding not to exceed grant allocation amounts approved by the Board.

LINKS TO ADDITIONAL INFORMATION

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

Laws of 2015 included new state policy for required buffers on public waters and public drainage systems and amendments to the State’s existing soil loss limits law which eliminated enforcement of it to only counties with a local soil loss limits ordinance. The 2015 legislature also appropriated clean water funds to BWSR to support local implementation of the new buffer law in FY2016 and 2017.

As a result of the new law and appropriations to support local implementation agency executives directed staff to develop a non-competitive formula based mechanism to allocate funds in FY 2016 to SWCDs. The agency’s Grants Team and Senior Management Team have recommended that the same allocations that were used in FY16 be used for FY17. This proposal for FY17 funding allocation was presented to the Grants Program and Policy Committee on May 20, 2016. The Grants Program and Policy Committee voted to recommend approval of the attached Board Resolution to 1) approve the non-competitive grant allocations

as proposed to support SWCD implementation of new buffer law, 2) not require a local match, 3) will be awarded as a up front lump sum payment, 4) only require annual and final eLINK reporting, 5) authorize staff to finalize, distribute and promote a SWCD request for funding to implement the FY 2017 Buffer Law program and 6) authorize staff to execute grant agreements with individual SWCDs after receipt and approval of requests for funding not to exceed grant allocation amounts approved by the Board.



Board Resolution # 16-

FY 2017 CLEAN WATER FUND NON-COMPETITIVE GRANTS TO SWCDs FOR BUFFER LAW IMPLEMENTATION

WHEREAS, the Clean Water Fund (CWF) is established in M.S. 114D.50; and

WHEREAS, Clean Water Funds have been appropriated to BWSR in Laws of Minnesota 2015, 1st Special Session, Chapter 2, Article 2, Section 7(d) for grants to local units of government to enhance compliance with riparian buffer or alternative practice requirements; and

WHEREAS, the Board has authority under Minn. Stat. section 103B.3369 to make grants to cities, townships, counties, soil and water conservation districts, watershed districts, joint powers organizations, and other special purpose districts or authorities with jurisdiction in water and related land resources management when a proposed project, practice or activity implements a county water plan, watershed management plan, or county groundwater plan; and

WHEREAS, the CWF implementation strategy incorporates the purpose of Minn. Stat. section 114D.20 which directs the implementation of Clean Water Funds to be coordinated with existing authorities and program infrastructure; and

WHEREAS, requests for Buffer Implementation with funds appropriated in Laws of Minnesota 2015, 1st Special Session, Chapter 2, Article 2, Section 7(d), and Section 3(g) will be awarded on a non-competitive formula basis; and

WHEREAS, the Grants Program and Policy Committee reviewed the proposed non-competitive Buffer Law grant allocations and proposed Board resolution developed by staff on May 20, 2016.

NOW THEREFORE BE IT RESOLVED, the Board hereby:

Establishes the following Buffer implementation allocations as follows:

FY 2017 SWCD Buffer Implementation Funding Allocations

Category 1 - \$3,000 (Lake, Cook and Ramsey)

Category 2 - \$5,000 (South St. Louis, Koochiching, Itasca, North St. Louis and Carlton)

Category 3 - \$10,000 (Anoka, Hennepin, Aitkin, Hubbard, Crow Wing, Scott, Cass, Kanabec, Washington, Lake of the Woods, Mille Lacs, Pine, Sherburne, Isanti, Chisago and Wadena)

Category 4 - \$20,000 (Clearwater, Benton, Carver, Beltrami, Wright, Mahnomen, Root River, Winona, Rice, McLeod, Dakota, Todd, Douglas, Nicollet, Wabasha, Waseca and Red Lake)

Category 5 - \$25,000 (Morrison, Steele, Dodge, Big Stone, Pipestone, Meeker, Watonwan, Le Sueur, Becker, East Otter Tail, Olmsted, Rock, Sibley, Pope, Lincoln, Grant, Pennington, West Otter Tail, East Polk and Goodhue)

Category 6 – \$30,000 (Chippewa, Traverse, Stevens, Brown, Jackson, Kandiyohi, Freeborn, Fillmore, Swift, Cottonwood, Mower, Lyon, Blue Earth, Faribault, Lac Qui Parle and Murray)

Category 7 - \$35,000 (Nobles, Martin, Yellow Medicine, Wilkin, Roseau, Clay, Stearns, Kittson, Redwood and Norman)

Category 8 - \$45,000 (Renville, West Polk and Marshall)

BE IT FURTHER RESOLVED, the Board hereby:

Approves the non-competitive grant allocations as described in this resolution; and

BE IT FURTHER RESOLVED, the Board hereby:

Establishes that grants awarded pursuant to this resolution will conform to the BWSR FY 2017 Clean Water Fund Competitive Grants Policy except that 1) no match will be required, 2) grants will be awarded as a lump sum up-front payment, and 3) only annual and final eLINK reporting will be required; and

BE IT FURTHER RESOLVED, the Board hereby:

Authorizes staff to finalize, distribute and promote a SWCD request for funding to implement the FY2017 Buffer Law program consistent with the provisions of appropriations enacted in 2015, Minn. Stat. 103B.3369, and this Board resolution; and

BE IT FURTHER RESOLVED, the Board hereby:

Authorizes staff to execute grant agreements with individual SWCDs after receipt and approval of a request for funding not to exceed grant allocation amounts identified in this resolution.

Brian Napstad, Chair
Board of Water and Soil Resources

Date: _____

Attachment: FY 2017 SWCD Buffer Implementation Funding Allocations by Category 5-20-16

FY 2017 SWCD Buffer Implementation Funding Allocations by Category
5/20/16

(Total Allocation = \$1,999,000)

1	2	3	4	5	6	7	8
\$3,000	\$5,000	\$10,000	\$20,000	\$25,000	\$30,000	\$35,000	\$45,000
Lake	South St. Louis	Anoka	Clearwater	Morrison	Chippewa	Nobles	Renville
Cook	Koochiching	Hennepin	Benton	Steele	Traverse	Martin	West Polk
Ramsey	Itasca	Aitkin	Carver	Dodge	Stevens	Yellow Medicine	Marshall
	North St. Louis	Hubbard	Beltrami	Big Stone	Brown	Wilkin	
	Carlton	Crow Wing	Wright	Pipestone	Jackson	Roseau	
		Scott	Mahnomen	Meeker	Kandiyohi	Clay	
		Cass	Root River	Watonwan	Freeborn	Stearns	
		Kanabec	Winona	Le Sueur	Fillmore	Kittson	
		Washington	Rice	Becker	Swift	Redwood	
		Lake of the Woods	McLeod	East Otter Tail	Cottonwood	Norman	
		Mille Lacs	Dakota	Olmsted	Mower		
		Pine	Todd	Rock	Lyon		
		Sherburne	Douglas	Sibley	Blue Earth		
		Isanti	Nicollet	Pope	Faribault		
		Chisago	Wabasha	Lincoln	Lac Qui Parle		
		Wadena	Waseca	Grant	Murray		
			Red Lake	Pennington			
				West Otter Tail			
				East Polk			
				Goodhue			



BOARD MEETING AGENDA ITEM

FY 2016 and 2017 CLEAN WATER FUND NON-COMPETITIVE GRANTS TO SWCDs FOR LOCAL CAPACITY SERVICES AND TSAs FOR ENHANCED SHARED TECHNICAL SERVICES

AGENDA ITEM TITLE:

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: _____

Contact: Doug Thomas/Jim Haertel

Prepared by: Doug Thomas

Reviewed by: Grants Program and Policy Committee(s)

Presented by: Doug Thomas

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

Approve FY 2016 and 2017 CWF non-competitive grant allocations that have been developed to support SWCD local capacity to implement their authorities in Minn. Stat. sections 103C.321 and 103C.331 and to enhance technical assistance to deliver essential engineering and technical services through TSAs. Authorizes staff to finalize, distribute and promote a SWCD and TSA request for funding to implement the remaining FY 2016 local capacity services funds for matching grants and the FY 2017 payments and matching grants to soil and water conservation districts for the purposes of Minn. Stat. sections 103C.321 and 103C.331 and grants for enhanced technical assistance to TSAs with the provisions of appropriations enacted in 2015, Minn. Stat. section 103B.3369, and this Board resolution. Authorize staff to execute grant agreements with individual SWCDs and TSAs after receipt and approval of requests for funding not to exceed grant allocation amounts approved by the Board.

LINKS TO ADDITIONAL INFORMATION

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

CWF appropriations in Laws of 2015, for fiscal years 2016 and 2017, included new state funding to support SWCD services (\$22 million/biennium, of which \$18 million is for \$100K payments to SWCDs with the remaining amount to be allocated as matching grants based on county allocations) and enhanced

delivery of engineering and technical services (\$3.84 million/biennium out of the \$12 million CWF Accelerated Implementation Grants program allocation).

The BWSR Grants Team met on March 15th and April 13th 2016 to develop and make allocation recommendations to the Senior Management Team for the remaining FY 2016 SWCD local capacity matching grants, FY 2017 SWCD local capacity payments and matching grants, and TSA enhanced technical assistance grants. The Grants Team was specifically tasked with developing options for 1) allocating the remaining \$2 million of FY 2016 SWCD local capacity grants funds, and 2) the \$2 million of FY 2017 SWCD local capacity grant funds which are to be awarded based on a new county revenue match. The rationale for using new county revenue for determining the matching grant in FY 2017 came from direction by the MASWCD Board of Directors and BWSR Executive Team.

On May 10, 2016 the Senior Management Team met to review the Grants Team recommendations. The Senior Management Team concurred with the Grants Team recommendations along with direction to staff to prepare background materials and draft board resolution for the Grants Program and Policy Committee meeting on May 20, 2016.

The draft Board Resolution and supporting materials were provided to the Grants Program and Policy Committee on May 20, 2016. After discussion and modification the Committee voted to recommend approval to the full Board the FY 2016 SWCD local capacity services matching grants, the FY 2017 SWCD payments and matching grants for the purposes of Minn. Stat. sections 103C.321 and 103C.331, and grants for enhanced technical assistance to TSAs per the attached resolution.



Board Resolution # 16-

**FY 2017 CLEAN WATER FUND NON-COMPETITIVE
GRANTS TO SWCDs FOR LOCAL CAPACITY SERVICES AND TSAs FOR
ENHANCED SHARED TECHNICAL SERVICES**

WHEREAS, the Clean Water Fund (CWF) is established in Minn. Stat. section 114D.50; and,

WHEREAS, Clean Water Funds have been appropriated to the Board of Water and Soil Resources (Board) in Laws of Minnesota 2015, 1st Special Session, Chapter 2, Article 2, Section 7(o) for payments to soil and water conservation districts for the purposes of Minn. Stat. sections 103C.321 and 103C.331 and Section 7(c) for enhancement grants for technical assistance; and

WHEREAS, the Board has authority under Minn. Stat. section 103B.3369 to make grants to cities, townships, counties, soil and water conservation districts, watershed districts, joint powers organizations, and other special purpose districts or authorities with jurisdiction in water and related land resources management when a proposed project, practice or activity implements a county water plan, watershed management plan, or county groundwater plan; and

WHEREAS, the Board's implementation of appropriated CWF funds is based on the Minnesota Constitution, Article XI, Section 15 which provides that funds may be "spent only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation", and that "dedicated money under this section must supplement traditional sources of funding for these purposes and may not be used as a substitute"; and

WHEREAS, the CWF implementation strategy incorporates the purpose of Minn. Stat. section 114D.20 which directs the implementation of Clean Water Funds to be coordinated with existing authorities and program infrastructure; and

WHEREAS, requests for Soil and Water Conservation District (SWCD) services payments and Technical Service Area (TSA) enhanced technical assistance grants with funds appropriated in Laws of Minnesota 2015, 1st Special Session, Chapter 2, Article 2, Sections 7(c) and 7(o) will be awarded on a non-competitive formula based allocation; and

WHEREAS, the Grants Program and Policy Committee reviewed the proposed non-competitive SWCD services grant and Technical Service Area TSA enhanced technical assistance grant allocations at its May 20, 2016 meeting and voted unanimitously; and

NOW THEREFORE BE IT RESOLVED, the Board hereby:

Establishes the SWCD Local Capacity Services grant program and the TSA Enhanced Technical Shared Services grant program, and;

BE IT FURTHER RESOLVED, the Board hereby:

Establishes the following SWCD Local Capacity Services and TSA Enhanced Technical Shared Services grant allocations as follows:

FY 2016 SWCD Local Capacity Services Grants

Each SWCD will be allocated a FY 2016 Local Capacity matching grant, with no match required, as listed in Attachment #1 to this resolution. These grants will be processed as amendments to each SWCD FY2016 SWCD Local Capacity Services Grant.

FY 2017 SWCD Local Capacity Services Grants

Each SWCD and Hennepin County is eligible to receive up to \$100,000 with no match required. In addition each SWCD will be eligible to receive up to the amount listed in Attachment #1 to this resolution upon providing documentation to BWSR of receiving an equal amount of new county allocation/revenue in 2017 over and above the counties' 2016 county allocation to the SWCD.

FY 2017 TSA Enhanced Technical Assistance Funding Allocations

Each of the eight TSAs is eligible to receive \$125,000 with no match required and an additional \$115,000 per TSA with a minimum non-state match equal to at least 25% of which 10% must be a local cash match, up to a total grant of \$240,000.

BE IT FURTHER RESOLVED, the Board hereby:

Approves the non-competitive grant allocations as described in this resolution, and;

BE IT FURTHER RESOLVED, the Board hereby:

Establishes that grants awarded pursuant to this resolution will conform to the Board's FY 2017 Clean Water Fund Competitive Grants Policy except that: 1) grants will be awarded as a lump sum up-front payments, 2) Funds used for cost share and our incentive payments provided to landowners for projects and practices must conform to the BWSR Erosion Control and Water Management Program Policy, and 3) use of eLINK, as prescribed by the Board, will be required to request and report on funds allocated and received; and

BE IT FURTHER RESOLVED, the Board hereby:

Authorizes staff to finalize, distribute and promote a SWCD and TSA request for funding to implement the FY 2016 and FY 2017 grants to SWCDs for the purposes of Minn. Stat. sections 103C.321 and 103C.331 and enhancement grants for technical assistance with the provisions of appropriations enacted in 2015, Minn. Stat. section 103B.3369, and this Board resolution; and

BE IT FURTHER RESOLVED, the Board hereby:

Authorizes staff to execute grant agreements with individual SWCDs and TSAs after receipt and approval of a request for funding not to exceed grant allocation amounts identified in this resolution.

Brian Napstad, Chair
Board of Water and Soil Resources

Date: _____

Attachments: Attachment #1 – SWCD Local Capacity Matching Grant Allocations for FY 2016 & 2017

DRAFT

Attachment #1 – SWCD Local Capacity Matching Grant Allocations for FY 2016 & 2017 May 20, 2016

Tiers based on Alloc. less than 50K	2014 Co. Allocation	FY16 Allocation	FY17 Allocation	Required New 2017 County Match/Revenue
Crow Wing	\$17,682	\$15,337	\$37,500	\$30,000
Hubbard	\$22,000	\$15,337	\$37,500	\$30,000
Watonwan	\$22,000	\$15,337	\$37,500	\$30,000
Wadena	\$23,500	\$15,337	\$37,500	\$30,000
Isanti	\$27,000	\$15,337	\$37,500	\$30,000
Ramsey	\$27,169	\$15,337	\$37,500	\$30,000
Kanabec	\$30,352	\$15,337	\$37,500	\$30,000
Koochiching	\$35,000	\$15,337	\$37,500	\$30,000
Mahnomen	\$36,646	\$15,337	\$37,500	\$30,000
Polk West	\$39,200	\$15,337	\$37,500	\$30,000
St. Louis South	\$40,000	\$15,337	\$37,500	\$30,000
Polk East	\$41,160	\$15,337	\$37,500	\$30,000
Chisago	\$42,000	\$15,337	\$37,500	\$30,000
Red Lake	\$46,000	\$15,337	\$37,500	\$30,000
50k - <100K				
Swift	\$50,000	\$20,337	\$22,750	\$22,750
Ottertail East	\$50,417	\$20,337	\$22,750	\$22,750
Cottonwood	\$52,000	\$20,337	\$22,750	\$22,750
Cook	\$53,865	\$20,337	\$22,750	\$22,750
Faribault	\$58,000	\$20,337	\$22,750	\$22,750
Blue Earth	\$58,340	\$20,337	\$22,750	\$22,750
St. Louis North	\$59,222	\$20,337	\$22,750	\$22,750
Big Stone	\$60,000	\$20,337	\$22,750	\$22,750
McLeod	\$60,000	\$20,337	\$22,750	\$22,750
Norman	\$60,200	\$20,337	\$22,750	\$22,750
Pope	\$62,100	\$20,337	\$22,750	\$22,750
Pine	\$63,840	\$20,337	\$22,750	\$22,750
Roseau	\$65,000	\$20,337	\$22,750	\$22,750
Kittson	\$66,388	\$20,337	\$22,750	\$22,750
Lake of the Woods	\$66,850	\$20,337	\$22,750	\$22,750
Clearwater	\$69,360	\$20,337	\$22,750	\$22,750
Lake	\$69,410	\$20,337	\$22,750	\$22,750
Wilken	\$70,000	\$20,337	\$22,750	\$22,750
Ottertail West	\$71,413	\$20,337	\$22,750	\$22,750
Chippewa	\$74,730	\$20,337	\$22,750	\$22,750
Mille Lacs	\$75,025	\$20,337	\$22,750	\$22,750
Waseca	\$76,162	\$20,337	\$22,750	\$22,750
Traverse	\$80,000	\$20,337	\$22,750	\$22,750
Brown	\$82,400	\$20,337	\$22,750	\$22,750
Meeker	\$83,500	\$20,337	\$22,750	\$22,750
Martin	\$86,986	\$20,337	\$22,750	\$22,750

Attachment #1 – SWCD Local Capacity Matching Grant Allocations for FY 2016 & 2017 May 20, 2016

Grant	\$89,197	\$20,337	\$22,750	\$22,750
Dodge	\$90,000	\$20,337	\$22,750	\$22,750
Nobles	\$90,000	\$20,337	\$22,750	\$22,750
Aitkin	\$90,341	\$20,337	\$22,750	\$22,750
Morrison	\$92,500	\$20,337	\$22,750	\$22,750
Pennington	\$95,139	\$20,337	\$22,750	\$22,750
Scott	\$98,000	\$20,337	\$22,750	\$22,750
Marshall	\$99,335	\$20,337	\$22,750	\$22,750
100k - <200k				
Redwood	\$100,000	\$25,337	\$18,000	\$18,000
Lac Qui Parle	\$102,000	\$25,337	\$18,000	\$18,000
Renville	\$105,000	\$25,337	\$18,000	\$18,000
Winona	\$105,000	\$25,337	\$18,000	\$18,000
Cass	\$108,000	\$25,337	\$18,000	\$18,000
Carlton	\$108,300	\$25,337	\$18,000	\$18,000
Todd	\$109,000	\$25,337	\$18,000	\$18,000
Stevens	\$110,000	\$25,337	\$18,000	\$18,000
Yellow Medicine	\$111,650	\$25,337	\$18,000	\$18,000
Nicollet	\$111,950	\$25,337	\$18,000	\$18,000
Sibley	\$114,751	\$25,337	\$18,000	\$18,000
Lincoln	\$115,000	\$25,337	\$18,000	\$18,000
Root River (Houston)	\$129,000	\$25,337	\$18,000	\$18,000
Steele	\$130,376	\$25,337	\$18,000	\$18,000
Kandiyohi	\$131,000	\$25,337	\$18,000	\$18,000
Wabasha	\$131,054	\$25,337	\$18,000	\$18,000
Beltrami	\$132,000	\$25,337	\$18,000	\$18,000
Lyon	\$136,000	\$25,337	\$18,000	\$18,000
Jackson	\$138,345	\$25,337	\$18,000	\$18,000
Pipestone	\$140,000	\$25,337	\$18,000	\$18,000
Mower	\$146,998	\$25,337	\$18,000	\$18,000
Rock	\$147,690	\$25,337	\$18,000	\$18,000
Anoka	\$148,992	\$25,337	\$18,000	\$18,000
Freeborn	\$149,000	\$25,337	\$18,000	\$18,000
Benton	\$165,000	\$25,337	\$18,000	\$18,000
Murray	\$169,145	\$25,337	\$18,000	\$18,000
Douglas	\$178,225	\$25,337	\$18,000	\$18,000
Clay	\$185,245	\$25,337	\$18,000	\$18,000
Rice	\$188,259	\$25,337	\$18,000	\$18,000
LeSeuer	\$189,803	\$25,337	\$18,000	\$18,000
over 200k				
Olmsted	\$209,200	\$30,337	\$14,500	\$14,500
Fillmore	\$210,000	\$30,337	\$14,500	\$14,500
Becker	\$212,052	\$30,337	\$14,500	\$14,500

Attachment #1 – SWCD Local Capacity Matching Grant Allocations for FY 2016 &2017 May 20, 2016

Itasca	\$214,445	\$30,337	\$14,500	\$14,500
Sherburne	\$247,000	\$30,337	\$14,500	\$14,500
Washington	\$250,000	\$30,337	\$14,500	\$14,500
Dakota	\$288,751	\$30,337	\$14,500	\$14,500
Goodhue	\$326,000	\$30,337	\$14,500	\$14,500
Carver	\$403,570	\$30,337	\$14,500	\$14,500
Wright	\$428,304	\$30,337	\$14,500	\$14,500
Stearns	\$995,000	\$30,337	\$14,500	\$14,500
	Total	\$1,999,993	\$1,998,000	\$1,893,000



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: FY '17 SWCD Programs and Operations and Non- Point Engineering Assistance Grants Allocations

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Central

Contact: Wayne Zellmer

Prepared by: Wayne Zellmer

Reviewed by: Grants Program & Policy Committee(s)

Presented by: Wayne Zellmer

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Approval of proposed FY '17 SWCD Programs and Operations Grants Allocations.

LINKS TO ADDITIONAL INFORMATION

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

The 2015 Legislature has appropriated funding for the FY '17 SWCD Programs and Operations Grants; Conservation Delivery, Easement Delivery, and Non Point Engineering Assistance, and Cost Share Program. The Grants Program & Policy Committee forwards recommendations for individual SWCD allocations.



Board Resolution # _____

FISCAL YEAR '17 SWCD PROGRAMS AND OPERATIONS GRANTS ALLOCATIONS

WHEREAS, Fiscal Year '17 Soil and Water Conservation District (SWCD) Programs and Operations Grants, administered by the Board of Water and Soil Resources (BWSR), provide cost share and conservation delivery grants allocations to SWCDs through its State Cost Share Grants, Conservation Delivery Grants, Easement Delivery Grants, and Non Point Engineering Assistance Grant Programs, and;

WHEREAS, Laws of Minnesota 2015, 1st Special Session, in Chapter 4, Article 3, Section 4, appropriated cost share, conservation delivery, easement delivery, and nonpoint engineering assistance grant funds to BWSR, and;

WHEREAS, as required by the appropriation, all SWCDs that have BWSR approved plans and reports are eligible to receive these grants, and;

WHEREAS, grant recipients are responsible for managing State grant funds in compliance with statutes, rules, grant agreements, BWSR policies and guidance, local policies, and other applicable laws and requirements, and;

WHEREAS, the Grants Program & Policy Committee reviewed the proposed SWCD grants allocations on May 20, 2016.

NOW THEREFORE BE IT RESOLVED, the Board authorizes:

1. Staff to allocate grant funds to individual SWCDs up to the amounts listed below and as provided on the attached allocation spreadsheet, *Proposed FY '17 SWCD Programs and Operations Grants*:

State Cost Share Grants	\$1,197,434
Conservation Delivery Grants	\$1,765,001
Easement Delivery Grants	\$291,004

2. SWCDs, to use all or part of their allocation for technical assistance, when the following conditions exist:

- i. Other non-state funds will be leveraged and they couldn't do the project otherwise;
Or,
- ii. Funds are used on a project(s) that is State Cost Share Program or EQIP eligible and their 2015 Financial Report indicates less than an 18-month fund balance; And
- iii. Board Conservationist approval.

3. The allocation of the Non Point Engineering Assistance Grants to joint powers boards up to the \$1,060,000, as listed below:

NPEA Area	Base Grant	Host/Fiscal Agent SWCD	Equipment	Total Grant
1	\$120,000	\$10,000	\$0	\$130,000
2	\$120,000	\$5,000	\$20,000	\$145,000
3	\$120,000	\$10,000	\$0	\$130,000
4	\$120,000	\$5,000	\$0	\$125,000
5	\$120,000	\$10,000	\$20,000	\$150,000
6	\$120,000	\$5,000	\$0	\$125,000
7	\$120,000	\$10,000	\$0	\$130,000
8	\$120,000	\$5,000	\$0	\$125,000

Date: _____

 Brian Napstad, Chair
 Board of Water and Soil Resources

Attachments: *Proposed FY '17 SWCD Programs and Operations Grants*

PROPOSED FY '17 SWCD PROGRAMS and OPERATIONS GRANTS, NPEA ALLOCATIONS

Conservation Delivery	\$1.765 M
Easement Delivery	\$.291 M
Non Point Engineering Assistance	<u>\$1.060 M</u>
	\$3.116 M

The 2015 Legislature in 1st Special Session, Chapter 4, Article 3, Section 4, appropriated:
[\\$3,116,000 the first year and \\$3,116,000 the second year are for grants to soil and water conservation districts for general purposes, nonpoint engineering, and implementation of the reinvest in Minnesota reserve program.](#)

Conservation Delivery Grants - \$1,765,001

Conservation Delivery Grants provide each Soil and Water Conservation District with funds for the general administration and operation of the district. These administrative and operational costs include paying for the costs of: employing staff, office space, transportation, postage and utilities, and supervisors' compensation and expenses.

Grant amounts are listed on the attachment *PROPOSED FY '17 SWCD PROGRAMS and OPERATIONS GRANTS*.

Easement Delivery Grants - \$291,004

This grant amount is to assist each SWCD with their site inspection costs and other miscellaneous management activities associated with the easements in their county. These activities include ownership changes, staking boundaries, conservation plan revisions, and assisting landowners with ongoing maintenance of installed conservation practices.

The BWSR currently holds 6,339 conservation easements on 262,849 acres throughout the state. SWCDs range from a low of 0 easements in 9 SWCDs, to a high of 468 easements in Redwood SWCD. The grant amount for FY '17 is based on \$45.91 per easement.

Non Point Engineering Assistance - \$1,060,000

The Non Point Engineering Assistance (NPEA) Grants are allocated annually to the NPEA (TSA) Joint Powers Boards for the purpose of providing technical assistance to landowners to apply conservation practices.

This Grant Program is proposed be implemented according to the August 2008 BWSR adopted *CTAC Short-Term Consensus Recommendation to Address Structure and Financial Challenges of the NPEA Program Proposed Clarifications by Recommendations Work Group*

The following policy from this Recommendation directs the FY '17 allocations as follows:

1. \$70,000 per 1 FTE engineer (TSA staff or contracted)
2. \$50,000 per 1 FTE technician (TSA staff or contracted)
3. Maximum annual grant amount for staff or contracted engineering services = \$120,000 per TSA. If less than the maximum is requested by one or more TSAs, the difference is split equally among all TSAs.
4. Additional \$5,000 per Host and/or Fiscal Agent SWCD (up to 2 Host SWCDs per TSA). The TSA decides how to distribute between Host and Fiscal Agent SWCD and Host-only SWCD.
5. 1 Fiscal Agent SWCD per TSA must be a Host SWCD, if the TSA has staff.
6. In order to help develop and maintain consistency across TSAs, the remaining state funding (estimate \$40,000/year, depending on number of Host SWCDs statewide) is used for NPEA staff training, computer hardware, software, and survey equipment and associated costs. This is based on an annual plan developed by NPEA staff and BWSR and coordinated with TSAs prior to grant allocations for current fiscal year.
7. Minimum 10% cash local share, from other than NPEA grant \$, for engineering assistance in the TSA.

Local share does not include in-kind services, but can include local, other state and federal funding for shared technical assistance to and through the TSA SWCDs, such as:

- Fees for services (from landowners, or other sources)
- Member SWCD cash contributions
- Federal TSP funding
- Federal grant funds
- Other state programs
- Gifts and donations

FY '17 NPEA Grants are proposed to be allocated according to the Board adopted policy as follows:

NPEAP Area	Base Grant	Host/Fiscal Agent SWCD	Equipment	Total Grant
1	\$120,000	\$10,000	\$0	\$130,000
2	\$120,000	\$5,000	\$20,000	\$145,000
3	\$120,000	\$10,000	\$0	\$130,000
4	\$120,000	\$5,000	\$0	\$125,000
5	\$120,000	\$10,000	\$20,000	\$150,000
6	\$120,000	\$5,000	\$0	\$125,000
7	\$120,000	\$10,000	\$0	\$130,000
8	\$120,000	\$5,000	\$0	\$125,000
			TOTAL	\$1,060,000

The legislature requires that any SWCD receiving these funds shall maintain a Web page that publishes, at a minimum, its annual report, audit, annual budget, and meeting notices and minutes.

PROPOSED FY'17 SWCD COST SHARE GRANTS - \$1,197,434

The 2015 Legislature in 1st Special Session, Chapter 4, Article 3, Section 4, (2) appropriated:

(2) \$1,200,000 each year is for soil and water conservation district cost-sharing contracts for perennially vegetated riparian buffers, erosion control, water retention and treatment, and other high-priority conservation practices;

The purpose of this program is to provide grants to SWCDs so they can help local landowners or land occupiers offset the costs of installing conservation practices that protect and improve water quality by controlling soil erosion and reducing sedimentation. As in the previous biennium, accompanying legislation;

Notwithstanding Minnesota Statutes, section 103C.501, the board may shift cost-share funds in this section and may adjust the technical and administrative assistance portion of the grant funds to leverage federal or other nonstate funds or to address high-priority needs identified in local water management plans or comprehensive water management plans.

also allows SWCDs, to use all or part of their allocation for technical assistance, when the following proposed conditions exist:

1. Other non-state funds will be leveraged and they couldn't do the project otherwise.
Or,
2. Funds are used on a project(s) that is State Cost Share Program or EQIP eligible and their 2015 Financial Report indicates less than an 18-month fund balance.
And,
3. Board Conservationist approval.

Recommendation

The Grants Program & Policy Committee is requesting approval of these FY '17 allocations for the:

Conservation Delivery Grants	Easement Delivery Grants,
Non-Point Engineering Assistance Grants	State Cost Share Grants

PROPOSED FY '17 SWCD PROGRAMS and OPERATIONS GRANTS

	\$1.765 M	\$1.200 M	\$.291 M
	CONSERVATION	COST	EASEMENT
SWCD	DELIVERY	SHARE	DELIVERY
AITKIN	\$20,212	\$4,141	\$367
ANOKA	\$20,765	\$11,107	\$0
BECKER	\$19,026	\$26,044	\$1,148
BELTRAMI	\$26,376	\$10,122	\$321
BENTON	\$19,224	\$11,169	\$1,148
BIG STONE	\$18,037	\$6,550	\$1,790
BLUE EARTH	\$18,868	\$17,309	\$11,568
BROWN	\$18,947	\$14,757	\$8,493
CARLTON	\$18,670	\$8,001	\$321
CARVER	\$19,698	\$16,673	\$3,168
CASS	\$18,275	\$8,347	\$505
CHIPPEWA	\$18,947	\$11,213	\$7,942
CHISAGO	\$19,737	\$8,844	\$367
CLAY	\$19,263	\$16,468	\$3,581
CLEARWATER	\$18,750	\$7,506	\$138
COOK	\$18,196	\$10,142	\$0
COTTONWOOD	\$18,947	\$14,091	\$9,457
CROW WING	\$18,354	\$9,607	\$2,204
DAKOTA	\$21,240	\$22,054	\$230
DODGE	\$19,343	\$9,908	\$735
DOUGLAS	\$20,172	\$16,410	\$5,142
FARIBAULT	\$19,343	\$12,651	\$8,493
FILLMORE	\$20,133	\$24,289	\$1,836
FREEBORN	\$19,145	\$16,482	\$5,555
GOODHUE	\$20,054	\$25,855	\$3,122
GRANT	\$19,026	\$11,332	\$1,882
HENNEPIN COUNTY	\$25,930	\$13,392	\$1,331
HUBBARD	\$18,157	\$7,761	\$230
ISANTI	\$20,172	\$6,050	\$275
ITASCA	\$18,828	\$6,931	\$230
JACKSON	\$18,314	\$11,769	\$5,738
KANABEC	\$18,710	\$9,607	\$321
KANDIYOHI	\$19,501	\$14,294	\$8,860
KITTSOON	\$19,184	\$9,607	\$1,148
KOOCHICHING	\$18,472	\$10,142	\$0
LAC QUI PARLE	\$18,750	\$20,521	\$8,355
LAKE	\$18,314	\$10,142	\$0
LAKE OF THE WOODS	\$18,037	\$10,142	\$0

PROPOSED FY '17 SWCD PROGRAMS and OPERATIONS GRANTS

SWCD	\$1.765 M	\$1.200 M	\$.291 M
	CONSERVATION DELIVERY	COST SHARE	EASEMENT DELIVERY
LE SUEUR	\$19,619	\$19,479	\$5,830
LINCOLN	\$19,896	\$15,527	\$4,912
LYON *	\$19,224	\$14,141	\$7,070
MAHNOMEN	\$18,117	\$10,799	\$275
MARSHALL	\$29,596	\$9,491	\$1,331
MARTIN	\$18,908	\$17,945	\$9,640
MC LEOD	\$18,789	\$10,987	\$4,774
MEEKER	\$18,552	\$14,977	\$4,728
MILLE LACS	\$18,868	\$6,944	\$551
MORRISON	\$20,252	\$22,808	\$6,427
MOWER	\$20,805	\$10,819	\$4,132
MURRAY	\$18,235	\$10,884	\$6,243
NICOLLET	\$19,224	\$12,862	\$3,902
NOBLES	\$18,512	\$17,383	\$2,158
NORMAN*	\$18,986	\$7,040	\$2,571
OLMSTED	\$21,754	\$30,642	\$1,239
OTTER TAIL EAST	\$18,986	\$15,954	\$643
OTTER TAIL WEST	\$18,986	\$20,932	\$3,718
PENNINGTON	\$18,710	\$11,038	\$321
PINE	\$18,986	\$13,045	\$46
PIPESTONE	\$18,670	\$15,873	\$1,194
POLK EAST	\$18,828	\$10,293	\$138
POLK WEST	\$18,828	\$13,414	\$780
POPE	\$18,592	\$19,927	\$8,447
RAMSEY	\$19,343	\$10,163	\$0
RED LAKE	\$18,077	\$5,632	\$184
REDWOOD	\$19,343	\$13,576	\$21,484
RENVILLE	\$19,501	\$10,460	\$21,346
RICE	\$22,940	\$14,891	\$3,076
ROCK	\$19,343	\$15,923	\$1,102
ROOT RIVER	\$22,505	\$20,901	\$2,938
ROSEAU	\$18,750	\$10,525	\$138
SCOTT	\$19,935	\$18,366	\$2,525
SHERBURNE	\$21,635	\$7,493	\$0
SIBLEY	\$18,868	\$9,005	\$4,407
ST. LOUIS NORTH	\$18,789	\$8,550	\$0
ST. LOUIS SOUTH	\$18,789	\$7,119	\$0
STEARNS	\$22,030	\$36,814	\$918

PROPOSED FY '17 SWCD PROGRAMS and OPERATIONS GRANTS

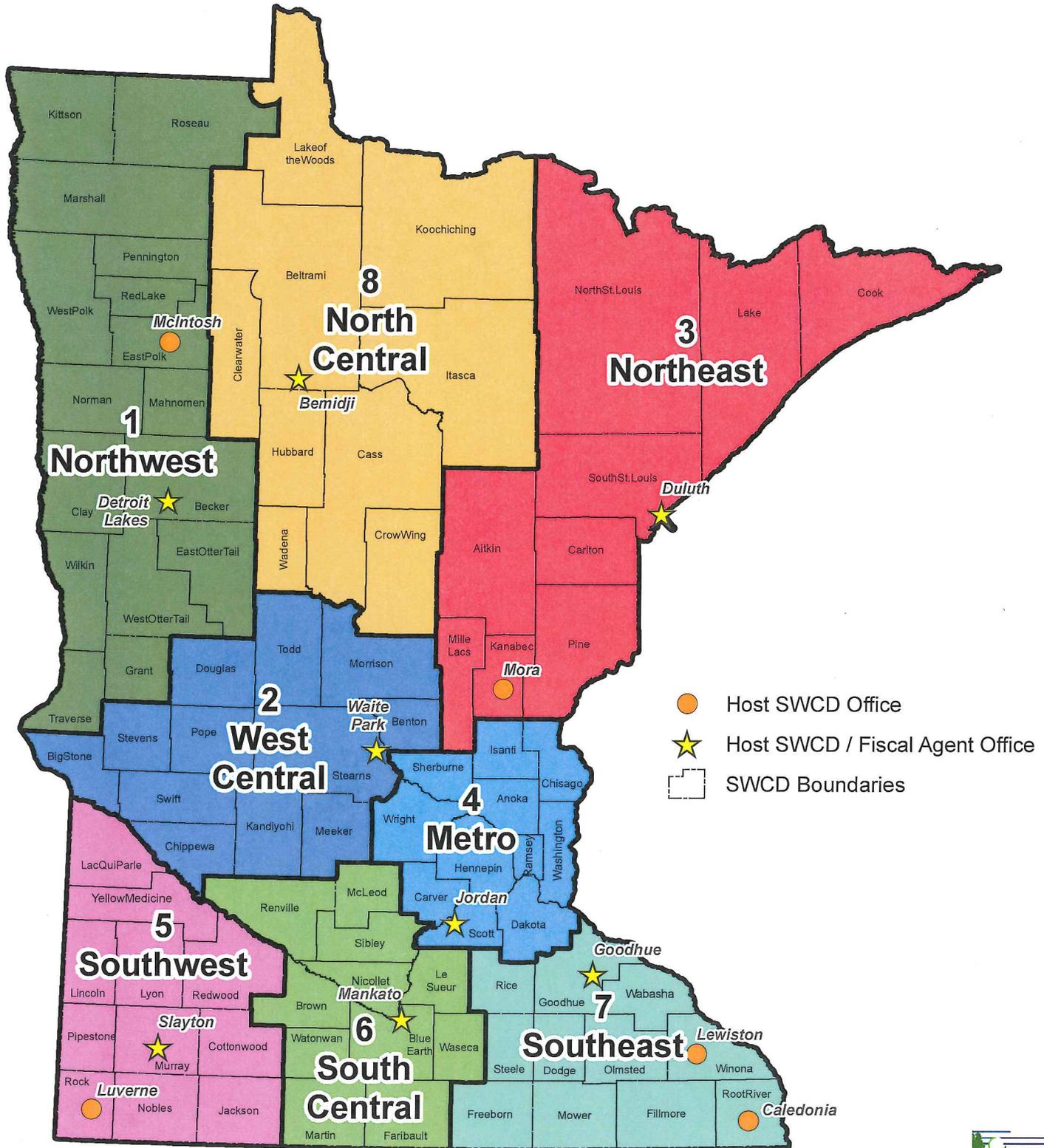
	\$1.765 M	\$1.200 M	\$.291 M
	CONSERVATION	COST	EASEMENT
SWCD	DELIVERY	SHARE	DELIVERY
STEELE	\$20,014	\$10,609	\$2,433
STEVENS	\$19,184	\$15,309	\$3,856
SWIFT	\$18,592	\$10,055	\$8,034
TODD	\$20,054	\$16,595	\$230
TRAVERSE	\$19,145	\$5,376	\$1,515
WABASHA	\$19,619	\$15,401	\$1,331
WADENA	\$18,710	\$10,142	\$92
WASECA	\$18,986	\$10,552	\$5,279
WASHINGTON	\$20,568	\$11,736	\$92
WATONWAN	\$18,394	\$9,694	\$5,050
WILKIN	\$19,263	\$13,427	\$2,846
WINONA	\$20,963	\$11,629	\$3,810
WRIGHT	\$21,358	\$15,797	\$2,066
YELLOW MEDICINE	\$19,263	\$17,060	\$9,181
ALLOCATED TOTALS	\$1,765,001	\$1,197,434	\$291,004

* NORMAN COST SHARE PENALIZED \$2,565 FOR PROGRAM VIOLATIONS.

* LYON GRANTS ON HOLD PENDING SATISFACTION OF STATE AUDIT REQUIREMENTS.

H:17SWCD

Minnesota Association of Soil & Water Conservation Districts & SWCD Technical Service Areas



-  Host SWCD Office
-  Host SWCD / Fiscal Agent Office
-  SWCD Boundaries





BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: FY '17 Natural Resources Block Grant

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Central Region

Contact: Wayne Zellmer

Prepared by: Wayne Zellmer

Reviewed by: Grants Program & Policy Committee(s)

Presented by: Wayne Zellmer

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Approval of proposed '17 NRBG allocations

LINKS TO ADDITIONAL INFORMATION

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

The 2015 Legislature has appropriated funding for the FY '17 Natural Resources Block Grant (NRBG) to provide assistance to local governments to implement state natural resource programs. These programs are: Comprehensive Local Water Management, the Wetland Conservation Act, the DNR Shoreland Management, and the MPCA/BWSR Subsurface Sewage Treatment Systems. The Grants Program & Policy Committee forwards this recommendation.



Board Resolution # _____

FY '17 Natural Resources Block Grant Authorization

WHEREAS, the Natural Resources Block Grant (NRBG), administered by the Board of Water and Soil Resources (BWSR), provides assistance to local governments to implement the state natural resource programs of Comprehensive Local Water Management, the Wetland Conservation Act, the DNR Shoreland Management, and the MPCA Subsurface Sewage Treatment Systems (SSTS); and,

WHEREAS, the Laws of Minnesota for 2015, 1st Special Session, in Chapter 4, Article 3, Section 4, appropriated, LWM, WCA, and DNR Shoreland FY '17 Natural Resources Block Grant funds to BWSR; and,

WHEREAS, the MPCA will transfer to BWSR funds for their '17 SSTS Program to be allocated with the '17 NRBG; and,

WHEREAS, the Grants Program & Policy Committee reviewed the proposed '17 NRBG allocations on May 20, 2016.

NOW THEREFORE BE IT RESOLVED, the BWSR hereby authorizes staff to allocate individual grants amounts to counties meeting the NRBG Program requirements, as indicated on the attached spreadsheet *PROPOSED FY'17 NATURAL RESOURCES BLOCK GRANTS*, for grant programs funded by BWSR appropriations, as determined by the BWSR and DNR, and totaling:

LWM	\$1,139,152
WCA	\$1,906,479
DNR Shoreland	\$384,950

AND, BE IT FURTHER RESOLVED, for Local Water Management, Wetland Conservation Act, and DNR Shoreland Programs, Local Governmental Units have the flexibility of determining the amount of grant and required match of these three BWSR Programs, to allocate to each of their programs locally;

AND, BE IT FURTHER RESOLVED, the BWSR hereby authorizes staff to allocate individual grants amounts to counties, for funds appropriated to and allocations determined by the MPCA, for the MPCA SSTS Program Grant.

Date: _____

Brian Napstad, Chair
Board of Water and Soil Resources

Attachment: *PROPOSED FY'17 NATURAL RESOURCES BLOCK GRANTS*

PROPOSED FY 2017 NATURAL RESOURCES BLOCK GRANT

The Natural Resources Block Grant (NRBG) provides assistance to local governments to implement state natural resource programs. These programs are: Comprehensive Local Water Management, the Wetland Conservation Act, the DNR Shoreland Management, and the MPCA/BWSR Subsurface Sewage Treatment Systems.

The NRBG is a composite base grant generally formulated to reflect need/activity of these programs in all counties. This grant is not competitive and all counties are eligible for any or all of the four grant program components.

FUNDING

The 2015 Legislature in 1st Special Session, Chapter 4, Article 3, Section 4, appropriated:

\$3,423,000 the first year and \$3,423,000 the second year are for natural resources block grants to local governments. Grants must be matched with a combination of local cash or in-kind contributions. The base grant portion related to water planning must be matched by an amount as specified by Minnesota Statutes, section 103B.3369.

\$3.423 M (General Fund)

1. Local Water Management	\$1.139 M
2. Wetland Conservation Act	\$1.906 M
3. DNR Shoreland	\$.398 M

Local Governmental Units have the flexibility of determining the amount of grant *and* required match of these three Programs, to allocate to each of their programs locally. This change will provide needed spending flexibility for yearly fluctuations in workload and program activity in counties and SWCDs.

4. MPCA Subsurface Sewage Treatment Systems (SSTS)

(Funding for this Program is appropriated directly to the MPCA and then transferred to BWSR.)

SELECTED PROGRAM HIGHLIGHTS

1. Local Water Management - \$1,139,152

This component is for implementing comprehensive local water plans. For FY '17, the Board is requiring a local levy match or cash equivalent that will generate \$1.5 M on a statewide basis. This individual county amount is determined from a county's equalized taxable net tax capacity, as determined by the Dept. of Revenue. Counties must have a BWSR approved locally adopted comprehensive local water plan.

2. *Wetland Conservation Act - \$1,906,479*

This component is for the local administration of the WCA. A local 1:1 match is required. The grant amount is formula derived from a base amount of county WCA activity. This formula was approved by BWSR at their April 2003 Meeting. The formula includes the following factors:

- Number of landowner contacts resulting in mitigation or replacement
- Number of cease and desist orders & restoration orders issued
- Change in population
- Amount of wetlands on non-public lands
- Amount of poorly drained soils on non-public lands
- Amount of shoreland on non-public lands

Of this amount, SWCDs are entitled to receive at least 15% or \$5,000, whichever is greater, for performing mandated WCA activities.

3. *DNR Shoreland - \$384,950*

This component is for the administration of state approved Shoreland management programs. It is administered at the state level by the DNR. A local 1:1 match is required. The grant amount is derived from a base estimated amount of county Shoreland activity based on:

- Shoreline miles of lakes and rivers
- Amount of private lands
- Population

4. *MPCA County Subsurface Sewage Treatment Systems Program - \$1,599,600*

All counties are required to pass ordinances regulating SSTS countywide. All counties that have enacted countywide ordinances and have a BWSR approved locally adopted comprehensive local water plan are eligible to receive this grant. No local match is required. Grant amount of \$18,600 is determined by equal county allocations.

RECOMMENDATION

The Grants Program & Policy Committee recommends approval of the Proposed FY '17 Natural Resources Block Grant allocations as listed on the attached spreadsheet *PROPOSED FY '17 NATURAL RESOURCES BLOCK GRANTS*.

PROPOSED FY '17 NATURAL RESOURCES BLOCK GRANTS

COUNTY	CLWM PROGRAM GRANT	WCA PROGRAM GRANT	DNR SHORELAND GRANT	MPCA SSTS GRANT		
AITKIN	\$13,888	\$33,240	\$11,004	\$18,600		
ANOKA SWCD	\$8,094	\$63,191	\$2,615	\$18,600		
BECKER	\$13,071	\$24,237	\$10,956	\$18,600		
BELTRAMI	\$13,688	\$64,600	\$5,616	\$18,600		
BENTON	\$13,271	\$31,598	\$3,352	\$18,600		
BIG STONE	\$15,711	\$8,777	\$2,744	\$18,600		
BLUE EARTH	\$10,023	\$18,178	\$3,309	\$18,600		
BROWN	\$13,633	\$8,778	\$2,729	\$18,600		
CARLTON	\$13,349	\$22,507	\$4,006	\$18,600		
CARVER	\$8,094	\$31,599	\$2,668	\$18,600		
CASS	\$10,502	\$44,766	\$10,915	\$18,600		
CHIPPEWA	\$14,881	\$8,778	\$2,678	\$18,600		
CHISAGO	\$11,243	\$27,700	\$5,043	\$18,600		
CLAY	\$12,673	\$16,447	\$3,004	\$18,600		
CLEARWATER	\$15,256	\$19,909	\$3,227	\$18,600		
COOK	\$14,832	\$12,985	\$4,281	\$18,600		
COTTONWOOD	\$14,844	\$8,778	\$2,828	\$18,600		
CROW WING	\$8,094	\$38,088	\$19,515	\$18,600		
DAKOTA	\$8,094	\$52,804	\$2,668	\$18,600		
DODGE	\$14,484	\$16,444	\$2,729	\$18,600		
DOUGLAS	\$12,077	\$21,641	\$8,717	\$18,600		
FARIBAULT	\$14,550	\$8,778	\$2,790	\$18,600		
FILLMORE	\$14,278	\$8,778	\$2,746	\$18,600		
FREEBORN	\$13,120	\$8,778	\$3,202	\$18,600		
GOODHUE	\$9,433	\$16,447	\$2,828	\$18,600		
GRANT	\$15,503	\$13,850	\$3,118	\$18,600		
HENNEPIN	\$8,094	\$57,133	\$0	\$18,600		
HOUSTON	\$14,699	\$12,985	\$2,780	\$18,600		
HUBBARD	\$13,245	\$25,103	\$8,605	\$18,600		
ISANTI	\$13,251	\$25,103	\$4,085	\$18,600		
ITASCA	\$10,447	\$44,148	\$10,311	\$18,600		
JACKSON	\$14,717	\$8,778	\$3,072	\$18,600		
KANABEC	\$15,071	\$25,103	\$4,173	\$18,600		
KANDIYOHI	\$12,023	\$21,641	\$6,890	\$18,600		
KITTSOON	\$15,279	\$16,447	\$2,701	\$18,600		
KOOCHICHING	\$15,025	\$28,913	\$2,777	\$18,600		
LAC QUI PARLE	\$15,453	\$8,778	\$2,682	\$18,600		
LAKE *	\$14,736	\$16,447	\$4,707	\$18,600		
LAKE OF THE WOODS	\$15,809	\$33,760	\$3,563	\$18,600		
LE SUEUR	\$13,501	\$16,447	\$5,017	\$18,600		
LINCOLN	\$15,488	\$8,778	\$2,824	\$18,600		
LYON	\$13,689	\$8,778	\$2,793	\$18,600		
MCLEOD	\$12,642	\$16,447	\$3,048	\$18,600		
MAHNOMEN	\$15,838	\$12,985	\$3,428	\$18,600		
MARSHALL	\$14,993	\$20,308	\$2,668	\$18,600		
MARTIN	\$13,697	\$8,778	\$3,085	\$18,600		
MEEKER	\$13,990	\$19,044	\$4,831	\$18,600		
MILLE LACS	\$14,361	\$22,507	\$4,905	\$18,600		
MORRISON	\$13,609	\$30,298	\$4,025	\$18,600		

PROPOSED FY '17 NATURAL RESOURCES BLOCK GRANTS

COUNTY	CLWM PROGRAM GRANT	WCA PROGRAM GRANT	DNR SHORELAND GRANT	MPCA SSTS GRANT			
MOWER	\$13,047	\$12,985	\$3,330	\$18,600			
MURRAY	\$15,050	\$8,778	\$3,286	\$18,600			
NICOLLET	\$13,156	\$16,447	\$2,736	\$18,600			
NOBLES	\$14,402	\$8,778	\$2,715	\$18,600			
NORMAN	\$15,541	\$12,985	\$2,677	\$18,600			
OLMSTED	\$8,094	\$25,103	\$3,213	\$18,600			
OTTER TAIL	\$9,824	\$59,729	\$18,106	\$18,600			
PENNINGTON	\$15,341	\$16,447	\$2,890	\$18,600			
PINE	\$13,855	\$34,626	\$6,018	\$18,600			
PIPESTONE	\$15,247	\$8,778	\$2,668	\$18,600			
POLK	\$13,468	\$21,641	\$3,527	\$18,600			
POPE	\$15,095	\$15,581	\$4,336	\$18,600			
RAMSEY CD	\$8,094	\$16,677	\$0	\$0			
RED LAKE	\$15,857	\$12,985	\$2,931	\$18,600			
REDWOOD	\$14,472	\$10,387	\$2,668	\$18,600			
RENVILLE	\$14,047	\$8,778	\$2,716	\$18,600			
RICE	\$10,457	\$24,238	\$4,274	\$18,600			
ROCK	\$15,175	\$8,778	\$2,668	\$18,600			
ROSEAU	\$15,131	\$24,238	\$2,752	\$18,600			
ST. LOUIS	\$8,094	\$75,657	\$20,339	\$18,600			
SCOTT	\$8,094	\$41,551	\$2,668	\$18,600			
SHERBURNE	\$8,094	\$31,599	\$4,971	\$18,600			
SIBLEY	\$14,615	\$13,452	\$2,755	\$18,600			
STEARNS	\$8,094	\$45,879	\$9,185	\$18,600			
STEELE	\$12,460	\$12,118	\$2,925	\$18,600			
STEVENS	\$15,305	\$8,778	\$2,783	\$18,600			
SWIFT	\$15,051	\$12,118	\$2,799	\$18,600			
TODD	\$14,676	\$21,641	\$5,033	\$18,600			
TRAVERSE	\$15,585	\$8,778	\$2,861	\$18,600			
WABASHA	\$14,177	\$12,118	\$3,590	\$18,600			
WADENA	\$15,390	\$19,909	\$3,146	\$18,600			
WASECA	\$14,271	\$12,118	\$3,067	\$18,600			
WASHINGTON	\$8,094	\$41,551	\$2,668	\$18,600			
WATONWAN	\$15,108	\$8,778	\$2,788	\$18,600			
WILKIN	\$15,232	\$8,778	\$2,685	\$18,600			
WINONA	\$11,847	\$12,118	\$2,706	\$18,600			
WRIGHT	\$8,094	\$42,416	\$9,528	\$18,600			
YELLOW MEDICINE	\$15,175	\$8,778	\$2,682	\$18,600			
TOTALS	\$1,139,152	\$1,906,479	\$384,950	\$1,599,600			

* LAKE COUNTY SSTS GRANT ON HOLD PENDING ADOPTION OF COUNTYWIDE ORDINANCE.



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Red River Basin Commission 2016 Funding

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: North Region

Contact: Brian Dwight

Prepared by: Brian Dwight

Reviewed by: Grants Program and Policy Committee(s)

Presented by: Jim Haertel

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Approval of the Red River Basin Commission 2015 annual report, 2016 annual work plan and budget, and the 2016 grant of \$100,000.00 to the RRBC.

LINKS TO ADDITIONAL INFORMATION

- http://www.bwsr.state.mn.us/boardpackets/2016/rrbc/Annual_Report_2015.pdf
- [http://www.bwsr.state.mn.us/boardpackets/2016/rrbc/RRBC_2016_Workplan_BWSR\(1\).docx](http://www.bwsr.state.mn.us/boardpackets/2016/rrbc/RRBC_2016_Workplan_BWSR(1).docx)
- http://www.bwsr.state.mn.us/boardpackets/2016/rrbc/US_Budget_RRBC-2016.xlsx
- http://www.bwsr.state.mn.us/boardpackets/2016/rrbc/NRFP_Report_May_2016.pdf
- <http://www.redriverbasincommission.org/>

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

The Red River Basin Commission (RRBC) is an international organization encompassing The Red River of the North Basin which includes portions of the states of South Dakota, North Dakota, Minnesota, and the Canadian Province of Manitoba. The RRBC was formed in 2001 with the merger of “The International Coalition” and the “Red River Basin Board”.

The vision of the RRBC: *A Red River Basin where residents, organizations, and governments work together to achieve basin-wide commitment to comprehensive integrated watershed stewardship and management.*

With the mission of: *To create a comprehensive integrated basin-wide vision, to build consensus and commitment to the vision, and to speak with a unified voice for the Red River Basin.*

The state of Minnesota has been supporting the efforts of the RRBC for several years with state agency participation as board members as well as special committee members or chairs. In particular MPCA, DNR, and BWSR have been very active participants with MDA and MDH participation from time to time. In addition to providing human resources to the RRBC operation the State of MN also provides an annual grant in the amount of \$100,000.00 to fund the general operations of RRBC. This amount is also provided by the state of North Dakota and the Canadian equivalent is provided by the Province of Manitoba. The RRBC has offices in Fargo, ND and Winnipeg, MB. BWSR is the MN state agency that reviews and approves the annual reports and work plans of the RRBC. Based on review of the RRBC 2015 report and 2016 annual work plan and budget the Grants Program and Policy Committee recommends approval by the full Board of the documents and the allocation per the attached Resolution. Jeff Lewis Executive Director of the RRBC will present the 2015 annual report and 2016 work plan and budget of the RRBC at the August meeting in East Grand Forks.



Board Resolution # 16 -

Red River Basin Commission 2016 Funding

WHEREAS, the State of Minnesota for calendar year 2016 has appropriated \$100,000 to financially assist the operations of the Red River Basin Commission (RRBC), an international organization committed to comprehensive integrated watershed stewardship and management serving portions of the States of North Dakota, South Dakota, and Minnesota as well as the Province of Manitoba, all in the Red River of the North Basin; and

WHEREAS, the Board of Water and Soil Resources (BWSR) has been designated as the fiscal agent for this appropriation; and

WHEREAS, the RRBC has submitted its 2015 report and 2016 work plan and budget to the BWSR for its review and approval; and

WHEREAS, the Grants Program and Policy Committee reviewed the RRBC 2015 report and 2016 work plan and budget at its meeting on May 20, 2016 and unanimously recommends approval to the full Board of the report, work plan, budget and grant of \$100,000.

NOW THEREFORE BE IT RESOLVED, the Board approves the RRBC 2015 report, 2016 work plan and budget, and grant of \$100,000 to the RRBC for its 2016 operations.

Brian Napstad, Chair

Date



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Erosion Control and Water Management Program Policy Amendment

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: _____

Contact: Pete Waller

Prepared by: Pete Waller

Reviewed by: Grants Program and Policy Committee(s)

Presented by: Pete Waller

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 type="checkbox"/> Other: | <input type="checkbox"/> Clean Water Fund Budget |

ACTION REQUESTED

Approve the amended policy.

LINKS TO ADDITIONAL INFORMATION

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

The Erosion Control and Water Management Program is more commonly known as the State Cost Share Program. The BWSR Cost Share Work Group was assigned the task of amending the State Cost Share Policy (Policy) due to 2015 Legislation. Primary amendments to the Policy are as follows:

- A. Due to 2015 Legislation, MS section 103C.501, Subd 5 (b) "A district board, with approval from the state board and consistent with state board rules and policies, may contract on a cost-share basis to furnish financial aid to a land occupier for nonstructural land management practices that are part of a planned erosion control or water quality improvement plan." Section 4.0 is modified and Section 4.2.2 is added to the Policy. This will enable SWCDs to request approval via the Nonstructural Land Management Plan Instructions and Request Form to provide financial assistance for nonstructural land management practices.
- B. As a result of the Buffer Law, Section 4.2.1 is added to the Policy to enable SWCDs to provide financial assistance to implement buffers at a flat rate in an effort to reduce administrative burdens for SWCDs and landowners.
- C. Edits to Section 1 of the Policy clarify the relationship between the Policy and the Grants

Administration Manual; and those edits within Section 4.1 of the Policy limits the combined state and non-state funds to 100% of the cost to implementing a project. Until now the Cost Share Policy limited the combined state and federal funds to 75% of the cost to implement a project. This is a means of achieving a higher degree of similarity between the Cost Share Policy and the Clean Water Fund Policy. The Clean Water Fund Policy allows 100% of a project to be paid for as long as the entire Clean Water Fund amount in the grant agreement has the required 25% non-state match.

The Cost Share Work Group's efforts were presented to the BWSR Grants Team, then to the BWSR Senior Management Team. The attached draft Policy is the culmination of those presentations and feedback. The Grants Program and Policy Committee met on May 20, 2016 to review the draft Policy and unanimously recommended approval by the full Board.



Board Resolution # 16 -

Erosion Control and Water Management Program Policy Amendment

WHEREAS, the Board of Water and Soil Resources is authorized by Minnesota Statutes 103C.501 to adopt rules and policies to implement the Erosion Control and Water Management Program, also known as the State Cost Share Program; and

WHEREAS, the Board adopted the current Erosion Control and Water Management Program Policy on August 28, 2013; and

WHEREAS, amendments to M.S. § 103C.501 were enacted as a result of the 2015 Legislative session; and

WHEREAS, Board staff presented proposed policy revisions consistent with the legislative amendments to the Board's Senior Management Team which recommended the revisions for approval by the Grants Program and Policy Committee; and

WHEREAS, the Grants Program and Policy Committee met on May 20, 2016 to review revisions to the Erosion Control and Water Management Program Policy and recommended approval by the full Board.

NOW THEREFORE BE IT RESOLVED, the Board of Water and Soil Resources hereby adopts amendments to the Erosion Control and Water Management Program Policy, effective July 1, 2016 for the 2017 Fiscal Year and beyond, as identified on the attachment.

Brian Napstad, Chair

Date

Attachments:

- Draft Erosion Control and Water Management Program Policy, June 22, 2016



Nonstructural Land Management Practice (NLMP) FY 2017 Implementation Plan Instructions

For The Erosion Control and Water Management Program

Program and Policy Purposes

The BWSR Erosion Control & Water Management (i.e. Cost-Share) Program Policy, adopted June 22, 2016, Section 4.2.2 allows SWCD to provide financial support to a land occupier for Nonstructural Land Management Practices that are part of a planned erosion control or water quality improvement plan, when:

1. The District has submitted an Implementation Plan to BWSR, it is consistent with state board rules and policies relating to this program, and it has been approved by the Board Conservationist; and
2. After BC approval, the District Board has incorporated this approved Implementation Plan into their locally adopted Fiscal Year Cost-Share Program policy.

Program Definitions

Nonstructural Land Management Practice (NLMP) – Conservation management practices, such as but not limited to cover crops, residue management, nutrient management, that are incorporated into a farm management plan and have erosion control or water quality improvement benefits.

Planned Erosion Control or Water Quality Improvement Plan – A Whole Farm or Field Conservation Plan that addresses erosion control or water quality goals identified in a local water plan or watershed plan, are prioritized, targeted and measurable, and are aligned with state strategies.

Implementation Policy

1. On the NLMP Implementation Plan Form provided by BWSR, the district shall describe their proposed implementation policy by answering the questions provided. The answers should include the following details:
 - a. Prioritized, targeted and measurable actions taken to insure that there is a direct erosion control and water quality improvement connection to an identified larger scale plan.
 - b. Technical Quality Assurance information as per Grants Administration Manual (GAM). Include what technical assistance will be provided to the land occupier to insure a whole farm or field scale conservation plan is developed and implemented.
 - c. Types of nonstructural land management practices that will be eligible and NRCS Field Office Technical Guide standards or other recognized applicable standards that will be used. Include the effective life of the practice.
 - d. Proposed flat rates or maximum percentage based on invoices and receipts for these practices and contract implementation including technical certification procedures and payment schedule that is within the grant agreement period.

- e. Proposed O&M procedures and policy to ensure these practices are incorporated in the farming operation. This may include a modified operation, maintenance and site inspection program for nonstructural land management practices.
2. SWCD board action, documented in minutes, is required prior to submitting this NLMP Implementation Plan to BWSR for review and approval.

Requirements

1. SWCDs have until the end of the first Fiscal Year to request authorization to provide financial support for Nonstructural Land Management Practices. BWSR approval and locally adopted policy must be on file prior to implementing this authorization.
2. These practices must show a direct measurable connection to both a larger scale plan and a whole farm or field scale plan that has erosion control or water quality benefits.
3. This Implementation Plan must be consistent with state board rules and policies relating to the Erosion Control and Water Management Program (i.e. Cost-Share) and the GAM.
4. The technical assistance provider(s) must have appropriate credentials for practice investigation, design and implementation of whole farm or field conservation planning as per the GAM Technical Quality Assurance chapter.
5. District boards must incorporate and adopt these policies into their local cost-share program policy for the Fiscal Year Grant Allocation. The locally adopted cost-share program policy must be uploaded as an eLINK attachment.
6. The District is required to report in eLINK annually on activities related to this approved NLMP Implementation Plan.



**NONSTRUCTURAL LAND MANAGEMENT PRACTICES (NLMP)
IMPLEMENTATION PLAN REQUEST FORM
FY 2017 CONSERVATION COST-SHARE BASE GRANT
(Period of July 1, 2016 through December 31, 2018)**

SWCD: _____

Contact: _____

Briefly describe the District's proposed local policy and implementation plan for incorporating nonstructural land management practices into your conservation cost-share program by answering the following questions. A maximum of three pages, not including the signature page is allowed for your answers.

1. What prioritized, targeted and measurable actions have been taken to insure that there is a direct erosion control and water quality connection to an identified large scale plan?
2. How and what technical assistance will be provided to land occupier to insure a whole farm or field scale conservation plan is developed and implemented?
3. List the types of nonstructural land management practices that will be eligible for financial assistance. What specific FOTG standards will be used for these practices? What will be the effective life of these practices?
4. What will be proposed flat rates **OR** the maximum percentage based on invoices and receipts for the listed practices and, if flat rates are being proposed, how did you determine the feasibility of these rates? Will there be any other program funding being paid on these practices?
5. How will the District implement contracts with Land Occupiers for technical assessments, conservation planning, practice implementation and technical certification, payment schedule within the timelines of the grant agreement and practice noncompliance issues?
6. What are your proposed O&M procedures and policy to ensure these practices are incorporated into the farming operation? Will this result in a modified operation, maintenance and site inspection program for nonstructural land management practices as per BWSR GAM policy? And, if yes, what are those modifications.
7. Is there any other information you would like to provide at this time?

SIGNATURE PAGE

Requested By:

SWCD Chair Signature

Date

Approved By:

Board Conservationist Signature

Date

Please submit this request to your Board Conservationist on or before **June 30, 2017**.
BCs will attach a copy of the approved request form under the Attachments Tab of the grant record in ELINK.



Erosion Control and Water Management Program Policy

(State Cost Share Program)

July 1, 2016

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1.0 Purpose

The Erosion Control and Water Management Program, commonly known as the State Cost Share Program, was created through Minnesota Statutes, §103C.501 to provide funds to Soil and Water Conservation Districts (Districts) to share the cost, with the land occupier, of high priority conservation practices for erosion control, sedimentation control, or water quality improvements that are designed to protect and improve soil and water resources. The purpose of this policy is to provide specific requirements for the implementation of funds appropriated to BWSR associated with the Erosion Control and Water Management Program. BWSR's Grants Administration Manual (<http://www.bwsr.state.mn.us/grants/manual/>) provides the primary framework for local management of all state grants administered by BWSR administrative. Exceptions or additions to that framework will be identified in this policy.

District boards and staff are responsible for the administration and decisions concerning the local use of these funds in accordance with: Minnesota Statutes, chapter 103C.501; Minnesota Administrative Rules, chapter 8400; BWSR policies; and all other applicable laws. BWSR will use grant agreements as contracts for assurance of deliverables and compliance. Willful disregard of relevant statutes, rules, and policies may lead to imposition of financial penalties on the grant recipient.

Funds are allocated by BWSR based on the following minimum criteria to districts that have fully complied with all program rules and policies:

- Extent of high priority erosion or water quality problems in the district, as indicated in the district comprehensive and annual plans or their equivalent.
- Priorities for the control of soil erosion or water quality problems as established by BWSR.
- Historic success of the district in applying conservation practices.
- Ability of the district to expend the funds in a timely manner.
- Legislative appropriation.

BWSR will allocate the cost-sharing funds available to districts in the form of grants for conservation practices addressing high priority erosion, sedimentation, or water quality problems. The use of cost-sharing funds for technical and administrative expenses is governed as provided in 3.1 of this policy.

2.0 Eligible Activities

The primary purpose of activities funded with Erosion Control and Water Management funds is to assist with structural, ~~or~~ vegetative, or non-structural land management practices to correct existing problems. Specific preventative practices may also be allowed through policy or appropriation.

2.1 Practice Standards. All practices must be consistent with the NRCS Field Office Technical Guide (FOTG) or professionally accepted engineering or ecological practices. Design standards for all practices must include specifications for operation and maintenance for the life of the given practice, including an inspection schedule and procedure. Practices where runoff or sediment from the contributing watershed prevents the practice from achieving the intended purpose with normal operation and maintenance are ineligible. Unless otherwise directed by statute or rule, vegetative practices must follow the BWSR Board adopted Native Vegetation Establishment and Enhancement Guidelines (http://www.bwsr.state.mn.us/native_vegetation/seeding_guidelines.pdf). The BWSR Buffer Establishment & Management Toolbox provides additional resources for consideration in designing vegetative practices (<http://www.bwsr.state.mn.us/practices/buffers/>).

2.2 Effective Life. All structural and vegetative practices must be designed and maintained for a minimum effective life of ten years. The beginning date for a practice's effective life is the same date final payment is approved and the project is considered complete. The effective life of non-structural land management practices (NLMP) will be based on the district's BWSR approved NLMP Implementation Plan, as per Section 4.2.2. Local Operation & Maintenance procedures and policy will monitor NLMPs are incorporated into the farming operation and may include a site specific operation and maintenance plan, and inspection program/schedule.

2.3 Repair of Damaged Practices. Repair of damage to a conservation practice is eligible if the practice was installed using approved standards, damage was caused by reasons beyond the control of the land occupier, and damage or failure of the practice was not due to improper maintenance or removal of the practice within the effective life.

2.4 Practices that Address Water Quantity Problems Due to Altered Hydrology. The primary purposes of these types of practices is to apply conservation practices on drainage or conveyance systems to (a) improve water quality, and (b) reduce surface and/or subsurface peak flows and volumes that contribute to water quality problems. Practices that do not have water quality as a primary purpose are *ineligible*.

2.5 Ineligible Practices. Incentive payments for ongoing maintenance, writing of conservation plans, payments to adopt land management practices such as tillage or residue management, unless approved as per Section 4.2.2, payments for crop damage during construction, payments to repair or install septic systems, payments for easements, practices installed for energy conservation and snow protection and/or feedlot expansions are not allowable practices with these funds. See 2.4 for ineligible practices that address water quantity problems due to altered hydrology.

3.0 Technical and Administrative Components

Erosion Control and Water Management funds may be used for technical and administrative expenses.

3.1 Technical and Administrative (TA) Expense. The BWSR Board establishes the amount allowed for TA expenses to be twenty percent (20%) of the total grant. Amounts used for TA must be documented as an actual expense. Remaining funds must be provided as cost share to achieve the purpose of these funds, unless otherwise indicated in specific appropriation language. Districts may use more than 20% of the grant for TA if a request for such use is approved by the Board Conservationist based on a) or b) below:

- a) Other nonstate funds, will be leveraged and the district couldn't do the project otherwise, or
- b) Funds are used on a project that is State Cost Share Program or EQIP eligible and the district's most recent Financial Report indicates less than an 18-month fund balance.

3.2 TA Activities. Activities eligible for TA include the following: grant administration, staff training to maintain appropriate technical approval authorities or licenses, site investigations and assessments, design and cost estimates, construction supervision, and inspections.

4.0 Financial Assistance

Financial assistance can be calculated by either a) the percent of the installation cost of a practice that may be provided to a land occupier for materials and labor necessary to install the practice as per Section 4.1 or b) a flat rate, for buffers and non-structural land management practices, in an effort to reduce administrative burdens for LGUs and landowners. As per Section 4.2 flat rates serve as an alternative to actual costs documented by receipts or invoices.

4.1 Maximum Percent based on receipts or invoices. The BWSR Board has established the maximum cost share rate utilizing state funds for installation of a practice at seventy- five percent (75%) of the installation cost, except for unused well sealing which is established at fifty percent (50%). State and non-state funds combined cannot exceed 100% as per the program’s purpose found in Section 1.0.

4.1.1 Non-State Contributions. A land occupier may provide the remainder of the local share of the implementation cost through in-kind services, or non-state funds. The District board shall determine whether charges for in-kind services and materials are practical and reasonable. Standard rates for in-kind services should be identified in the district’s cost share program policy.

4.1.2 Local Rates. Prior to receiving any applications from land occupiers, district boards may set different cost share rates up to the maximum identified in BWSR policy. These rates should be identified in the District’s cost share program policy.

OR

4.2 Flat Rates. Flat rates may be used as an alternative to actual costs documented by receipts or invoices. When using flat rates a land occupier cannot accept any other state or federal funds for that practice.

4.2.1 Buffers. For buffers based on water quality improvements with a maximum width of 120 feet, up to \$200 per acre to establish the vegetation. Native Species must be used. Acceptable seed source requirements are summarized in BWSR’s Native Vegetation Establishment and Enhancement Guidelines. A Cropping history is required and is defined as in agricultural crop production for at least two of the last five years. Native shrub plantings (amongst native grasses and flowers) for wildlife, fruit or nut production is allowed. Allowable Activities after established include haying, seed propagation, bio-energy production, and prescribed burning, outside of the nesting season of May 15 to August 1. Alternative dates can be approved by the SWCD on a case by case basis for weed control, tree and scrub management or emergency repairs. Grazing after successful establishment is allowed with an approved grazing management plan (Prescribed Grazing, practice standard 528).

4.2.2 Non-Structural Land Management Practices are allowed when they are part of, 1) a planned erosion control or water quality improvement plan; 2) when the district has submitted an Implementation Plan to BWSR and after Board Conservationist approval of the Implementation Plan, and 3) the district has incorporated the approved Implementation Plan into their locally adopted Cost-Share Policy for that fiscal year. Land occupiers that are already incorporating the requested Nonstructural Land Management practice in their farming operation are not eligible.

5.0 Technical Expertise

The District Board and staff have the responsibility to ensure that the designated technical staff have the appropriate technical expertise, skills and training for their assigned role(s). Appropriate technical expertise may include, but is not limited to, the following: conservation partnership Technical Approval Authority,

professional licensure, reputable vendor with applicable expertise and liability coverage, or other applicable credentials, training and/or expertise.

5.1 Staff Skills. A description of staff skills, training, or credentials; or a description of other means the District will use to insure projects meet the requirements of this policy and are installed and maintained according to the standards and specifications of the practice(s) must be included in the District's cost-share program policy.

5.2 BWSR Review. BWSR reserves the right to review the licensure and credentials of all technical staff selected by the District where appropriate.

6.0 Expenditure of Funds on Practices and Contracts

BWSR finds that the District Board of Supervisors has the authority and responsibility to approve expenditure of funds within their own organization.

6.1 Cost Share Contract. A contract between the District and land occupier(s) receiving state funds is required to provide a legal standing to insure practices are installed and maintained according to approved standards and specifications. The required contract can be found on the BWSR website. Land occupier means a person, corporation, or legal entity that holds title to or is in possession of land as an owner, lessee, tenant, or otherwise. If the land occupier is not the landowner, the application must also bear the landowner's signature.

- a) **Contract Modifications.** Modifications to the contract may be made prior to execution and with prior approval from the District legal counsel and BWSR.
- b) **Contract Amendments.** Changes to an executed contract are considered an amendment to the contract and subject to review and approval by the District Board. The required amendment form can be found on the BWSR website. Prior to approving an amendment, technical staff must attest that the amendment has merit. Amendments shall not be considered or approved after the end of the contract or after approval to issue final payment on the original contract has been made. Amendments are limited to changes in practice specifications, installation dates, land occupier information, practice components, or cost share rates and amounts.
- c) **Group Projects.** Where the cooperation of several land occupiers is required for implementation of a project; and the land occupiers have agreed to the project, division of payments for the project, and signed a group project addendum to the cost-share contract; the District may enter into a contract with only the group spokesperson of the contract. A group project addendum form can be found on the BWSR website.
- d) **Projects that Cross a District Boundary.** If a project involves land in more than one District, application for the entire project must be made to the District containing the majority of the project lands.
- e) **Pooling cost-share allocation for joint projects.** District Boards may enter into an agreement to pool portions or all of their collective cost-share allocations to implement joint projects. Cooperative and joint projects may be undertaken to accomplish watershed-based resource management goals or other goals of mutual benefit as identified in the county's comprehensive local water plan or the District's comprehensive plan.

6.2 Contract Approval. District Boards must approve or deny the contract. The action taken must be documented in the District Board's meeting minutes. Approval of a contract is considered approval for expenditure of funds.

6.3 Projects where construction has begun prior to District Boards approval are ineligible for financial assistance.

6.4 Contract Timeframe. District Boards have the authority to adopt timely starting and completion dates. Execution and completion of a contract with a land occupier must be within the grant period. Contracts not completed within the period of the grant agreement must be cancelled unless the grant agreement with the District has been extended and the contract has been extended such that the contract timeframe is within the amended grant. Under all circumstances, grant funds must be expended within the period of a valid grant agreement.

6.5 Canceled Projects. Funds from canceled projects or remaining from completed projects where the final cost was less than the estimated amount may be re-encumbered to a new contract as provided in the grant agreement. Funds that are unexpended must be returned as provided in the grant agreement.

6.6 Removal of Practices. District Boards may authorize the removal of a practice installed under this program provided the land occupier can show good cause for removal of the practice and the purpose of the original practice has been achieved.

6.7 Delegation. District Boards may delegate signing contracts and supporting program documents to District staff. This delegation must be identified in the District's cost share program policy.

6.8 Recording Practices. The size, location, and effective life of the soil and water conservation practices that have received cost-share payments under this program equal to or in excess of \$50,000 shall be recorded by the district on the property title. Instructions and forms for recording practices can be found on the BWSR website.

7.0 Practice Sign-off and Payment

Prior to payment, technical staff must attest that the practice was properly installed and completed according to the plans and specifications, including technically-approved modifications, and that vouchers and receipts are accurate. Project costs for the purposes of determining cost share amounts include the materials and labor necessary to complete the project.

7.1 Reimbursement. Land occupiers must incur all expenses for project implementation and provide invoices or copies of paid receipts to verify all expenses prior to requesting reimbursement, unless flat rates are being used as per Section 4.2. A payment voucher form is required for all payments and is available on the BWSR website.

a) **Partial Payments.** Partial payments are allowed. Prior to authorization for partial payment, technical staff must attest to the District Board that the request for partial payment has merit, the payment request is equal to or less than the percent of construction that is complete, and that the project will still be completed within the contract timeline. Land occupiers not completing partially paid projects shall be considered as violating MN Rule, part 8400.1700 and shall be directed, unless otherwise authorized by the state board as provided elsewhere in this part, to return to the district up to one hundred fifty percent (150%) of the amount of financial assistance received. All expenses

incurred to correct damage caused by the land occupier's failure to expeditiously complete the project must be borne by the land occupier.

b) **Service Charges.** District or Technical Service Area charges for services such as administration, field investigations, design, and monitoring to establish the practice shall not be included in calculating the project cost for purposes of determining cost-share payment amounts to the land occupier. Service charges such as tree planting or mechanical weed control are eligible to be included.

c) **Actual Cost Different Than Estimated Cost.** When using Maximum Percent based on receipts or invoices as per Section 4.1, in cases where the actual cost of the practice exceeds the estimated cost, the district may only share the additional amount when an amendment to the cost share contract has been approved per policy 6.1. Where the actual cost is less than the estimated cost, the district shall only share the approved percentage of the actual cost of the practice.

7.2 Project Review. After receiving a request for final reimbursement, technical staff must review for each project; the as-built plan, vouchers, and invoices or copies of paid receipts submitted by the land occupier for completion and technical approval. When flat rates are utilized for financial assistance for buffers and non-structural land management practices those practices should be field checked and verified with the land occupier that the practice is implemented in lieu of reviewing receipts or invoices.

7.3 Final Plans. One copy of the final approved plan must be given to the land occupier and one copy retained with the project file located in the district office.

8.0 Post-Construction and Follow-Up Activities

Identifying operation and maintenance activities specific to the installed practices is critical to ongoing performance of installed practices as well as to planning and scheduling those activities. Scheduled site inspections by qualified staff are necessary to ensuring operation and maintenance has been taking place.

8.1 Operation and Maintenance Plan. Qualified technical staff must prepare an operation and maintenance plan specific to the practice and the site where it is located. The operation and maintenance plan must detail the maintenance activities that are likely to be needed for the practice and contributing watershed, specify how and when to accomplish them, and identify the inspection schedule. The plan should be prepared and reviewed with the land occupier before installation of the conservation practices begins.

8.2 Inspections. Qualified technical staff shall ensure that the operation and maintenance plan is being followed and the practices have not been altered or removed by conducting periodic site inspections. Inspections are to:

- a) Verify that all components of the practice remain in place and are in good repair, and/or
- b) Identify repairs necessary in accordance with the operation and maintenance plan; and/or
- c) Identify further assessment or action necessary if necessary repairs are beyond the scope of the operation and maintenance plan.

8.3 Failure to Maintain Practices. Should the land occupier fail to maintain the practices during their effective life according to the operation and maintenance plan, the land occupier is liable to the district for up to one hundred fifty percent (150%) of the financial assistance received to install and establish the

practice as per MN Rule, part 8400.1700 as determined by the district board. Funds received by a district from a landowner who has failed to maintain a practice, must be used according to this policy and Minnesota Rules 8400.0050 to 8400.1900, less the administrative cost.

9.0 District Reporting Requirements

To ensure the continued success of the Erosion Control and Water Management Program, regular reporting of accomplishments and benefits is required. This reporting is accomplished through entries and documentation in eLINK. Guidance for reporting in eLINK is available on the BWSR website.

9.1 Annual Reporting. Districts must annually enter information on activities accomplished with the grant funding in eLINK. Reporting is required for grant fund expenditures from the prior calendar year and is to be completed by BWSR established reporting deadlines.

9.2 Grant Closeout Reporting. Within thirty (30) calendar days of the conclusion of each grant agreement or expenditure of all grant funds, whichever occurs first, Districts are required to provide the following to BWSR:

- a) Entry of information on all projects completed with the grant funding in eLINK;
- b) Signed Final Financial Report from eLINK;
- c) Documentation of District Board approval of the Final Financial Report; and
- d) Return any unspent or unencumbered funds, if applicable, as instructed on the Returned Check Form, found on the BWSR website.

9.3 Unencumbered Funds. Grant funds unencumbered by the District board after the grant period must be returned to the state board within thirty (30) calendar days. Unencumbered funds are those funds remaining from cancelled projects or completed projects where the final cost was less than the estimated amount.

9.4 Records Retention. Project files must be retained by the District pursuant to Minnesota Statutes, §138.17 and consistent with ongoing records retention schedules.

9.5 Non-compliance with Reporting Requirements. Any District that does not complete these requirements will not be eligible to receive funds from this program until all past reporting has been completed. Financial penalties on the grant recipient may be applied.

10.0 BWSR Program Monitoring, Reconciliation, Verification and Penalty Procedures

10.1 Monitoring, Reconciliation, and Verification. BWSR will annually monitor all Districts reporting for compliance with reporting requirements of the Erosion Control and Water Management Program Policy above and will reconcile and verify grants according to the current Grants Monitoring, Reconciliation, and Verification policy.

10.2 Penalties. Grant penalties can be applied when it has been determined the district is not in compliance with relevant statutes, rules, and state policies. Noncompliance is ranked by the degree of departure from recommended administrative procedures to violations of rules, statutes, or grant agreements. Penalties may include the district requiring a land occupier to return the cost-share funds received, the district repaying the State with non-state funds, and/or the district taking a yearly reduction

in cost-share grant payments(s) until the violation amount is satisfied. Minnesota Statutes, §103C.401 establishes BWSR's obligation to assure program compliance.

- a) All state base grants (State Cost Share, Easement Services, and General Services) for which funding is requested may be reduced by five percent if satisfactory comprehensive or annual plans are not received by the annual deadline, with an additional five percent reduction for each month late. No base grant funds will be allocated until a satisfactory plan is received.
- b) If the state becomes aware of cases where a district knowingly participates in accepting fraudulent receipts or invoices to calculate cost-share claims, the state may deny future cost-share funds for the district.

11.0 District Cost Share Program Policies

The following items are recommended to be identified in local cost share program policies, either on a project-by-project or annual basis:

- a) Identify or describe available staff skills, training, credentials, or other means the District will use to insure projects are installed and maintained according to standards and specifications (see 5.0).
- b) Set District financial assistance rates to be less than or equal to rates set by the State Board (see 4.0.)
- c) Establish maximum flat rates for in-kind services and materials provided by land occupiers (see 4.0.)
- d) Identify practice standards to be used for design, construction, operation, and maintenance (see 2.0).
- e) Set criteria for project selection, i.e. priority watershed or location, priority practices, recording practices, consideration of other activities in the area, etc. (see 6.0)
- f) Establish a process and local policy for addressing cost-share contract noncompliance (see 6.0).
- g) State if the District is delegating authority to sign contracts and supporting program documents to District staff. (see 6.7)
- h) Other policies as necessary and applicable to the program.

For additional information see the BWSR Grants Manual at:

<http://www.bwsr.state.mn.us/grants/manual/index.php#/Purpose%20&%20Scope/7/top>



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: USDA-NRCS Regional Conservation Partners Program (RCPP) Project:
Lower Mississippi River Feedlot Management in MN

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Southern Region

Contact: Matt Drewitz

Prepared by: Matt Drewitz
Grants Program and Policy

Reviewed by: Committee Committee(s)

Presented by: Matt Drewitz, Al Kean

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 adopt the recommendations of the Grants Program and Policy Committee to adopt the Board resolution authorizing BWSR participation in the USDA-NRCS Regional Conservation Partners Program (RCPP) Project: *Lower Mississippi River Feedlot Management in MN*.

LINKS TO ADDITIONAL INFORMATION

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

The **Lower Mississippi River Feedlot Management in MN** project will be leveraging State funding from BWSR to provide match for a United States Department of Agriculture Natural Resources Conservation Service (USDA-NRCS) Regional Conservation Partnership Program (RCPP) project. BWSR will provide technical and financial assistance to plan and design projects to mitigate feedlot runoff from smaller* open lot feedlots in southeastern Minnesota. BWSR will dedicate \$260,000 per year of General Fund appropriations for 5 years, subject to availability, to provide both financial and technical assistance, along with \$300,000 in BWSR FY 2017 Clean Water Funds as financial assistance, for a total obligation of \$1.6M over the duration of the RCPP project. The BWSR funds will be granted to the Southeast Minnesota Technical Support Joint Powers Board

(JPB), which is managed by Glen Roberson, Goodhue SWCD and Host Manager. USDA-NRCS will be providing \$1.6M in assistance directly to landowners for this RCPP project through the Environmental Quality Incentive Program (EQIP). BWSR anticipates utilizing state funds to focus on technical assistance needs connected to developing Conservation Activity Plans (CAPs) and engineered designs for USDA-NRCS EQIP projects.

*Clean Water Funds can be used for financial assistance to livestock operators with less than 500 AUs via BWSR CWF policy. General funds are limited to less than 300 AUs as detailed in the appropriation language.

Project Context and Need

Fixing open lot runoff from livestock operations, as well as managed grazing and manure management, has been a focused effort for local partners in the Lower Mississippi River in Minnesota (LMRM) for the last two decades, but more specifically since the 2000s when the LMRM basin regional fecal coliform TMDL was adopted. Water quality strategies and plans for this region have been based on significant water quality data and modeling efforts that have identified livestock agriculture as a major contributor of nutrients, bacteria, and sediment to local streams and directly to the main stem of the Mississippi River. This area has one of the highest concentration of livestock operations under 300 AUs in Minnesota, and there is a strong history of farmers working with local partners (ex. SWCDs) and the NRCS on solutions for mitigating impacts from feedlot and agricultural runoff.

The overall plan for this project is to:

- Utilize existing local staff funded through current State grants to work with identified landowners to develop options for potential solutions,
- Provide technical assistance to develop applicable CAPs, develop engineered plans, and assist with construction/observation/inspection for practice implementation,
- Provide financial assistance for construction through EQIP, State funding, and local landowner contributions,
- Measure outcomes using MinnFARM (Minnesota Feedlot Annualized Runoff Model) and through the Statewide and local water monitoring networks, and
- Assess the achievement towards water quality goals as stated in upcoming watershed restoration and protection strategies (WRAPS), Total Maximum Daily Loads (TMDLs), and local water planning efforts, including One Watershed One Plans (1WIPs).

Partnership Agreement

BWSR will be working with USDA-NRCS through an agreed upon partnership agreement involving a Memorandum of Understanding (MOU). This formal agreement will include the following four (4) elements:

1. Dollars committed by USDA-NRCS and BWSR,
2. Deliverables of the project,
3. Roles and responsibilities, and
4. Reporting framework and timeline.

This partnership agreement between USDA-NRCS and BWSR is anticipated to be executed in the summer of 2016.

Project Budget

A 1:1 minimum match requirement is needed for the USDA-NRCS RCPP. USDA-NRCS will provide \$1.6M in financial assistance to landowners through EQIP. BWSR will provide \$1.6M in match for technical and financial assistance. See Figure 1 below.

Figure 1: Budget with NRCS \$1.6M, BWSR \$1.6M each

Partner Contribution	2016	2017	2018	2019	2020	5 year total
NRCS-EQIP	\$400,000	\$400,000	\$400,000	\$200,000	\$200,000	\$1,600,000
BWSR General Fund: TA	\$200,000	\$200,000	\$200,000	\$200,000	\$50,000	\$850,000
BWSR General Fund: FA	\$60,000	\$60,000	\$60,000	\$60,000	\$210,000	\$450,000
BWSR CWF: FA	\$0	\$300,000	\$0	\$0	\$0	\$300,000
Totals by Year	\$660,000	\$960,000	\$660,000	\$460,000	\$460,000	\$3,200,000

NRCS Total	\$1,600,000
BWSR Match Total	\$1,600,000

Summary Recommendations from the Grants Program and Policy Committee to the Board

- Recommend approval of BWSR to partner in the USDA-NRCS RCPP project and enter into a Partnership Agreement between NRCS and BWSR. In addition, authorize John Jaschke, BWSR Executive Director, to sign the Partnership Agreement,
- Recommend that BWSR provide up to \$1,600,000 in match over the five (5 year) duration of the project, which includes funding from State fiscal years 2016-2020.
- Recommend BWSR dedicate \$260,000 of General Fund feedlot water quality grants from each year of the current biennium (FY 2016 and FY 2017) for a total of \$520,000 as match,
- Recommend BWSR dedicate \$300,000 from the FY 2017 Clean Water Fund as match,
- Recommend BWSR grant the match funds to the Southeast Technical Support JPB for the duration of the RCPP Project, and
- Recommend that the BWSR Board take action on this item at the June 2016 Board meeting.

Lower Mississippi River Feedlot Management in MN





Board Resolution # 16 -

USDA-NRCS Regional Conservation Partnership Program (RCPP)

Project: Lower Mississippi River Feedlot Management in MN

WHEREAS, the United States Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS) provides technical and financial assistance to landowners nationally through the Regional Conservation Partnership Program (RCPP); and

WHEREAS, in 2015 the Board's Senior Management Team (SMT) authorized staff to submit an application to the USDA-NRCS RCPP program entitled "**Lower Mississippi River Feedlot Management in MN**", herein referred to as "RCPP Project"; and

WHEREAS, this RCPP Project was reviewed by USDA-NRCS through a competitive process and was selected for an award of \$1,600,000 from the USDA-NRCS Environmental Quality Incentives Program (EQIP). The Board will not receive any funding directly from USDA-NRCS for this RCPP Project because EQIP funds are required go directly to landowners from the USDA-NRCS; and

WHEREAS, the Clean Water Fund is established in Minn. Stat. Sec. 114D.50 "to protect, enhance, and restore water quality in lakes, rivers, and streams, to protect groundwater from degradation, and to protect drinking water sources"; and

WHEREAS, the Clean Water Fund may be used to leverage Federal funds in accordance with Minn. Stat. Sec. 114D.50, Subd. 4(h): "Money from the clean water fund may be used to leverage federal funds through execution of formal project partnership agreements with federal agencies consistent with respective federal agency partnership agreement requirements."; and

WHEREAS, in Laws of Minnesota, 2015, 1st Special Session, Chapter 2, Article 2, Section 7 (b) the Board was appropriated applicable Clean Water Funds for FY 2016 and FY 2017; and

WHEREAS, in Laws of Minnesota, 2015, 1st Special Session, Chapter 4, Article 3, Section 4 (1) the Board was appropriated General Funds for FY 2016 and FY 2017: "\$260,000 each year is for feedlot water quality grants for feedlots under 300 animal units and nutrient and manure management projects in watersheds where there are impaired waters."; and

WHEREAS, the Board will grant General Funds and Clean Water Funds as matching funds to the Southeast Technical Support Joint Powers Board (JPB) for the 5-year duration of the RCPP Project.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board hereby:

1. Approves providing 1:1 match for the RCPP Project over five (5) State fiscal years (FY 2016, 2017, 2018, 2019, 2020) up to a total contribution of \$1,600,000, as defined below; and
2. Approves allocations from the FY 2016 and FY 2017 General Fund Feedlot Water Quality Management grants for a total of \$520,000 to be provided as match for the RCPP Project; and

3. Approves the allocation of \$300,000 from Clean Water Funds in FY 2017 to be provided as match for the RCPP Project; and
4. Approves that the Board will provide up to \$260,000 per year in FY 2018, FY 2019, and FY 2020 from the General Fund or the Clean Water Fund as match for the RCPP Project, subject to availability of applicable appropriations; and
5. Authorizes the Board's Executive Director to sign the Partnership Agreement MOU between the USDA-NRCS and the Board for the RCPP Project.

By: _____

Date: _____

Brian Napstad, Chair

Minnesota Board of Water and Soil Resources

DRAFT



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: FY 2017 CWF Competitive Grants Program Authorization

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Central Region

Contact: Marcey Westrick

Prepared by: Marcey Westrick

Reviewed by: Grants Program and Policy Committee(s)

Presented by: Marcey Westrick

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Authorization of FY17 CWF Competitive Grants Program.

LINKS TO ADDITIONAL INFORMATION

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

The FY 17 Clean Water Fund Competitive Grants Program includes four BWSR grant programs (Projects and Practices, Accelerated Implementation, Community Partners and Multipurpose Drainage Management), Minnesota Department of Health Well Sealing Grants and Minnesota Department of Agricultural AgBMP loans. The proposed application period is June 27 to August 8, 2016. The application scoring process will be conducted by staff from DNR, MDA, MDH, PCA and BWSR as has been the case in previous years.

The Grants Program and Policy Committee met on April 26 and May 20, 2016 to review the draft FY 2017 Clean Water Fund Policy and ranking criteria. The committee unanimously voted to recommend authorization of the FY2017 Clean Water Competitive Grant Program to the full Board per the attached draft Resolution. Note the draft Policy attachment for the Resolution that has been provided shows the revisions from last year. Upon adoption by the Board, the Policy attached to the Resolution will not show the revisions.



Board Resolution # 16-

**FY 2017 CLEAN WATER FUND COMPETITIVE GRANTS PROGRAM:
POLICY AND REQUEST FOR PROPOSALS**

WHEREAS, the Clean Water Fund (CWF) is established in Minn. Stat. § 114D.50; and,

WHEREAS, Clean Water Funds have been appropriated to the Board of Water and Soil Resources (Board) in Laws of Minnesota 2015, First Special Session, Chapter 2, Article 2 and,

WHEREAS, the Minnesota Department of Agriculture will be contributing Agricultural Best Management Practices Loan Program funds; the Minnesota Department of Health will be contributing well sealing funds; and,

WHEREAS, the Board has authority under Minn. Stat. § 103B.3369 to make grants to cities, townships, counties, soil and water conservation districts, watershed districts, joint powers organizations, and other special purpose districts or authorities with jurisdiction in water and related land resources management when a proposed project or activity implements a county water plan, watershed management plan, or county groundwater plan; and

WHEREAS, BWSR implementation of appropriated CWF funds is based on the Minnesota Constitution, Article XI, Section 15 which provides that funds may be “spent only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation”, and that “dedicated money under this section must supplement traditional sources of funding for these purposes and may not be used as a substitute”; and,

WHEREAS, the Board has previously endorsed an inter-agency granting strategy that included the MN Department of Agriculture (MDA), the Department of Natural Resources (DNR), the Pollution Control Agency (MPCA), the Department of Health (MDH), and the BWSR with the goal of effectively coordinating water quality projects funded by the CWF, and

WHEREAS, the CWF implementation strategy incorporates the purpose of Minn. Stat. § 114D.20 which directs the implementation of Clean Water Funds to be coordinated with existing authorities and program infrastructure; and,

WHEREAS, project proposals for funds appropriated in Laws of Minnesota 2015, First Special Session, Chapter 2, Article 2, Section 7(b) will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, MDH, and the BWSR based on the following criteria:

Ranking Criteria	Maximum Points Possible
<u>Project Description</u> : The project description succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results.	5
<u>Prioritization</u> : The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.	15
<u>Targeting</u> : The proposed project addresses identified critical pollution sources or risks impacting the water resource identified in the application.	25
<u>Measurable Outcomes</u> : The proposed project has a quantifiable reduction in pollution and directly addresses the water quality concern identified in the application.	35
<u>Project Readiness</u> : The application has a set of specific initiatives that can be implemented soon after grant award.	10
<u>Cost Effectiveness</u> : The application identifies a cost effective solution to address the non-point pollution concerns.	5
<u>Biennial Budget Request (BBR)</u> : A BBR was submitted by the applicant organization in 2014.	5
Total Points Available	100

WHEREAS, project proposals for funds appropriated in Laws of Minnesota 2015, First Special Session, Chapter 2, Article 2, Section 7(c) will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, the MDH, and the BWSR based on the following criteria:

Ranking Criteria	Maximum Points Possible
Clarity of project's goals, standards addressed and projected impact on land and water management and enhanced effectiveness of future implementation projects.	40
<u>Relationship to Plan</u> : The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.	25
Means and measures for assessing the program's impact and capacity to measure project outcomes.	20
Timeline for implementation.	15
Total Points Available	100

WHEREAS, project proposals for funds appropriated in Laws of Minnesota 2015, First Special Session, Chapter 2, Article 2, Section 7(h) will be evaluated by BWSR staff based on the following criteria:

Ranking Criteria	Maximum Points Possible
Clarity of project goals, projected impact, and involvement with community partners.	40
Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.	30
Plan for assessing the programs impact and capacity to measure project outcomes.	20
LGU capacity to implement the local grant program processes and protocols.	10
Total Points Available	100

WHEREAS, project proposals for funds appropriated in Laws of Minnesota 2015, First Special Session, Chapter 2, Article 2, Section 7(k) will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, and the BWSR based on the following criteria:

Ranking Criteria	Maximum Points Possible
<u>Project Description</u> : The project description succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results.	5
<u>Prioritization</u> : The proposal is based on priority protection or restoration actions associated with a "Priority Chapter 103E Drainage System" and is consistent with a watershed management plan that has been state approved and locally adopted or an approved total maximum daily load study (TMDL), Watershed Restoration and Protection Strategy (WRAPS), surface water intake plan, or well head protection plan.	20
<u>Targeting</u> : The proposed project addresses identified critical pollution sources or risks impacting the water resource identified in the application.	20
<u>Measurable Outcomes</u> : The proposed project has a quantifiable reduction in pollution and directly addresses the water quality concern identified in the application.	20
<u>Project Readiness</u> : The application has a set of specific activities that can be implemented soon after grant award.	10
<u>Cost Effectiveness</u> : The application identifies a cost effective solution to address the non-point pollution concern(s).	15
<u>Effective Combination of Practices</u> : Use of a combination of eligible activities that increase the overall effectiveness of the implemented practices/activities.	10
Total Points Available	100

WHEREAS, the Grants Program and Policy Committee reviewed the Clean Water Fund Competitive Grants Program Policy developed by staff on April 26, 2016 and recommended approval to the full Board.

NOW THEREFORE BE IT RESOLVED, the Board hereby:

1. Authorizes staff to finalize, distribute and promote a Request For Proposals (RFP) for the FY2017 Clean Water Fund Competitive Grants Program consistent with the provisions of appropriations enacted in 2015, Minn. Stat. 103B.3369 and this Board resolution; and,
2. Adopts the attached FY2017 Clean Water Fund Competitive Grants Policy.

Brian Napstad, Chair
Board of Water and Soil Resources

Date: _____

Attachment: FY2017 Clean Water Fund Competitive Grants Policy

DRAFT



FY 2017 Clean Water Fund Competitive Grants Policy



Purpose

The Clean Water Fund was established to implement part of Article XI, Section 15, of the Minnesota Constitution, and M.S. 114D with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams and to protect groundwater and drinking water sources from degradation. The purpose of this policy is to provide expectations for implementation activities conducted via the Board of Water and Soil Resources (BWSR) Clean Water Fund (CWF) grants.

BWSR will use grant agreements for assurance of deliverables and compliance with appropriate statutes, rules and established policies. Willful or negligent disregard of relevant statutes, rules and policies may lead to imposition of financial penalties or future sanctions on the grant recipient.

The FY 2017 Clean Water Fund Competitive Grants Request for Proposal (RFP) may identify more specific requirements or criteria when specified by statute, rule or appropriation language.

1.0 Applicant Eligibility Requirements

Eligible applicants include local governments (counties, watershed districts, watershed management organizations, soil and water conservation districts, and cities) or local government joint power boards working under a current State approved and locally adopted local water management plan or soil and water conservation district (SWCD) comprehensive plan. Counties in the seven-county metropolitan area are eligible if they have adopted a county groundwater plan or county comprehensive plan that has been approved by the Metropolitan Council under Minn. Stat. Chapter 473. Cities in the seven-county metropolitan area are eligible if they have a water plan that has been approved by a watershed district or a watershed management organization as provided under Minn. Stat. 103B.235. Cities, including those outside of the seven-county metropolitan area, without such plans are encouraged to work with another eligible local government if interested in receiving grant funds. **Plans must be current as of October 1, 2016 for an applicant to be eligible to apply.¹ Plans must be current when Board approves awards to**

¹ For the purposes of this policy watershed management organizations and metro watershed districts are not eligible if the management plan is more than 10 years beyond the BWSR plan approval date unless the plan states a lesser period of time; non-metro watershed districts are not eligible if the plan is more than 11 years 3 months beyond the BWSR approval date; and counties are not eligible if the management plan is more than 10 years beyond the BWSR approval date unless properly extended.

be eligible to receive grant funds.¹ Applicants must also be in compliance with all applicable federal, State, and local laws, policies, ordinances, rules, and regulations.

2.0 Match Requirements

A non-State match equal to at least 25% of the amount of Clean Water Funds requested and/or received is required, unless specified otherwise by Board action and included in the RFP. Match can be provided by a landowner, land occupier, local government or other non-State source and can be in the form of cash or the cash value of services or materials contributed to the accomplishment of grant objectives.

3.0 Eligible Activities

The primary purpose of activities funded with grants associated with the Clean Water Fund is to restore, protect, and enhance water quality. Eligible activities must be consistent with a comprehensive watershed management plan, county comprehensive local water management plan, soil and water conservation district comprehensive plan, metropolitan local water plan or metropolitan groundwater plan that has been State approved and locally adopted or an approved total maximum daily load study (TMDL), watershed restoration and protection strategy (WRAPs) document, surface water intake plan, or well head protection plan. Local governments may include programs and projects in their grant application that are derived from an eligible plan of another local government. BWSR may request documentation outlining the cooperation between the local government submitting the grant application and the local government that has adopted the plan.

Eligible activities can consist of structural practices and projects; non-structural practices, and measures, project support, and grant management and reporting. Technical and engineering assistance necessary to implement these activities are considered essential and are to be included in the total project or practice cost.

3.1 Structural Practices and Projects:

Where questions arise under Section 3.1, the effective lifespan of structural practices and projects shall be defined by current and acceptable design standards or criteria. Examples of design standards and criteria include, but are not limited to, the USDA Field Office Technical Guide or the Minnesota Stormwater Manual.

3.1.1 Best Management Practices

- a. Practices must be designed and maintained for a minimum effective life of ten years.
- b. An operation and maintenance plan for the life of the practice shall be included with the design standards.

- c. An inspection schedule, procedure, and assured access to the practice site shall be included as a component of maintaining the effectiveness of the practice.
- d. The grant recipient must provide assurances that the landowner or land occupier will keep the practice in place for its intended use for the expected lifespan of the practice. Such assurances may include easements, deed recordings, enforceable contracts, performance bonds, letters of credit, and termination or performance penalties. BWSR may allow replacement of a practice or project that does not comply with expected lifespan requirements with a practice or project that provides equivalent water quality benefits.

3.1.2 Capital Improvement Projects

- a. Projects must be designed and maintained for a minimum effective life of 25 years.
- b. An operation and maintenance plan for the life of the project shall be included with the design standards.
- c. An inspection schedule, procedure, and assured access to the project site for maintenance shall be included as a component of maintaining the effectiveness of the project.
- d. The grant recipient must provide assurances that the landowner or land occupier will keep the project in place for its intended use for the expected lifespan of the project. Such assurances may include easements, deed recordings, enforceable contracts, performance bonds, letters of credit and termination or performance penalties. BWSR may allow replacement of a practice or project that does not comply with expected lifespan requirements with a practice or project that provides equivalent water quality benefits.

3.1.3 Livestock Waste Management Practices

- a. The application of conservation practice components to improve water quality associated with livestock management systems that were constructed before **October 23, 2000** are eligible for funding.
- b. Eligible practices and project components must meet all applicable local, State, and federal standards and permitting requirements. Funded projects must be in compliance with standards in MN Rule Chapter 7020 upon completion.
- c. Eligible practices are limited to best management practices listed by the MN USDA-NRCS.
http://www.nrcs.usda.gov/wps/portal/nrcs/detail/mn/programs/financial/eqip/?cid=nrcs142p2_023513
- d. Funding is limited to livestock operations that are not classified as a Concentrated Animal Feeding Operation (CAFO) and have less than 500 animal units (AUs), in accordance with MN Rule Chapter 7020.

- e. Only livestock operations registered with the Minnesota Pollution Control Agency in the Delta Database or its equivalent are eligible for funding.
- f. BWSR reserves the right to deny, postpone or cancel funding where financial penalties related to livestock waste management violations have been imposed on the operator.
- g. Feedlot Roof Structure is an eligible practice with the following condition:
 - 1) Payment Limitation: The maximum grant for a feedlot roof structure is not to exceed \$100,000. Funding is not eligible for projects already receiving flat rate payment equaling or exceeding this amount from the NRCS or other State grant funds.
- h. Feedlot relocation is an eligible practice, with the following conditions:
 - 1) The existing eligible feedlot must be permanently closed in accordance with the local and State requirements,
 - 2) Payment Limitation: The maximum grant for a feedlot relocation is not to exceed \$100,000. Funding is not eligible for projects already receiving flat rate payment equaling or exceeding this amount from the NRCS or other State grant funds.

3.1.4 Subsurface Sewage Treatment Systems

- a. Only identified imminent threat to public health systems (ITPHS) are eligible for grants funds, except as provided under b.
- b. Proposed community wastewater treatment systems involving multiple landowners are eligible for funding, but must be listed on the MPCA's Project Priority List (PPL) and have a Community Assessment Report (CAR) or facilities plan [Minn. Rule 7077.0272] developed prior to the application deadline. For community wastewater system applications that include ITPHS, systems that fail to protect groundwater are also eligible.
- c. In an unsewered area that is connecting into a sewer line to a municipal waste water treatment plant (WWTP), the costs associated with connecting the home to the sewer line is eligible for funding if the criteria in a. and b. above are met.

3.2 Non-Structural Practices And Measures

- 3.2.1** Non-structural practices and activities that complement, supplement, or exceed current minimum State standards or procedures for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation are eligible.
- 3.2.2** Incentives may be used to encourage landowners to install or adopt land management practices that improve or protect water quality. Incentive

payments and enhanced protection measures should be reasonable and justifiable, supported by grant recipient policy, consistent with prevailing local conditions, and must be accomplished using established standards. All incentivized practices or procedures must have a minimum duration of at least 3 years with a goal of ongoing landowner adoption.

3.2.3 Minimum Buffer Width Requirements: Minimum buffer widths must, at a minimum, follow applicable statutes, rules, or local official controls for the water of concern.

3.2.4 Non-structural vegetative practices must follow the Native Vegetation Establishment and Enhancement Guidelines found at http://www.bwsr.state.mn.us/native_vegetation/seeding_guidelines.pdf.

DRAFT

3.3 Project Support

Eligible activities include community engagement, outreach, equipment and other activities, which directly support or supplement the goals and outcomes expected with the implementation of items identified in 3.1 and 3.2 above.

3.3.1 Capital Equipment Purchases: Refer to the guidance within the Grants Administration Manual.

3.4 Grant Management and Reporting

3.4.1 All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants. The grant funds may be used for local grant management and reporting that are directly related to and necessary for implementing the project or activity.

3.4.2 Applicants, who have previously received a grant from BWSR, must be in compliance with BWSR requirements for grantee website and eLINK reporting before grant execution and payment.

4.0 Ineligible Activities

Projects or practices that address the following will not be considered:

- a. Stormwater conveyances that collect and move runoff, but do not provide water quality treatment;
- b. Municipal wastewater treatment or drinking water supply facilities;
- c. Routine maintenance activities within the effective life of existing practices or projects;
- d. General maintenance and repair of capital equipment;
- e. Activities having the primary purpose of water quality monitoring or assessment; unless specifically allowed;
- f. Livestock Waste Management Practices: Practices and activities that are not listed in the USDA NRCS-EQIP docket or are not included in the USDA NRCS eFOTG;
- g. Subsurface Sewage Treatment Systems (SSTS):
 - 1) Small community wastewater treatment systems serving over 10,000 gallons per day with a soil treatment system, and
 - 2) A small community wastewater treatment system that discharges treated sewage effluent directly to surface waters without land treatment.

5.0 Structural Practice and Project Requirements

In order to ensure long-term public benefit of structural practices and projects, the following requirements must be met by all grant recipients.

5.1 Technical and Engineering Components

Technical and/or engineering expertise is required to develop, install, and inspect projects. Grant recipients will be required to submit information in their work plan outlining:

- a. Who will provide technical and engineering assistance for each of the practices or projects to be implemented, their required credentials for providing this assistance, or the method for selecting appropriate technical providers; and
- b. Approved design, construction, operation, and maintenance standards for the practices or projects to be implemented.

BWSR reserves the right to review the qualifications of all persons providing technical assistance and review the technical project design if a recognized standard is not available.

5.2 Practice or Project Construction and Sign-Off

Grant recipients shall verify that the practice or project was properly installed and completed according to the plans and specifications, including technically approved modifications, prior to authorization for payment.

5.3 Post Construction and Follow-Up Activities

To ensure that a practice or project is functioning properly, an operation and maintenance plan tailored to fit the site shall be developed. The operation and maintenance plan should identify all of the maintenance activities that are needed and specify how they will be accomplished. The plan shall be reviewed with the land owner or occupier before installation of the practices or projects.

The grant recipient shall assure that the operation and maintenance plan is being followed and that the practices or projects are functioning as designed by conducting periodic site inspections.

6.0 Grantee Administration of Clean Water Fund Grants

Grant recipients have the responsibility to approve the expenditure of funds within their organization. The LGU administering the grant must approve or deny expenditure of funds and the action taken must be documented in the governing body's meeting minutes prior to beginning the funded activity.

All grant recipient expenditure of funds providing financial assistance to landowners requires a contract with the landowner or land occupier. The contract must adequately address all the lifespan and operation and maintenance requirements of the practice or project as provided by this policy, including access for inspections and/or operation and maintenance. The contract must specify enforcement provisions, up to and including repayment of funds at a rate up to 150% of the original agreement amount. Funds received from a landowner who has taken out or failed to maintain a practice must be used according to this policy, less the administration cost.

BWSR recommends all contracts be reviewed by the grant recipient's legal counsel.

Grant reporting, fiscal management, and administration requirements are the responsibility of the grant recipient.

7.0 BWSR Grant Reporting, Reconciliation, and Verification Requirements

BWSR staff is authorized to develop grant agreements, including requirements and processes for project outcomes reporting, closeouts, fiscal reconciliations, and grant verifications. All grantees must follow the Grants Administration Manual policy and guidance.

In the event there is a violation of the terms of the grant agreement, BWSR will enforce the grant agreement and evaluate appropriate actions, up to and including repayment of grant funds at a rate up to 150% of the grant agreement.

COMMITTEE RECOMMENDATIONS

Water Management and Strategic Planning Committee

1. One Watershed, One Plan Transition Plan – Melissa Lewis – ***DECISION ITEM***

2. Local Water Plan Extensions and Amendment Policy – Melissa Lewis – ***DECISION ITEM***

3. Non-Point Priority Funding Plan – Marcey Westrick – ***DECISION ITEM***



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: One Watershed, One Plan Transition Plan

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Regional Operations

Contact: Melissa Lewis

Prepared by: Melissa Lewis

Reviewed by: Water Management & Strategic Planning Committee(s)

Presented by: Melissa Lewis

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Adoption of the One Watershed, One Plan Transition Plan.

LINKS TO ADDITIONAL INFORMATION

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

Adoption of a One Watershed, One Plan Transition Plan (plan) by the BWSR by June 2016 is a requirement of 2015 statute. The Water Management and Strategic Planning Committee (committee) reviewed drafts of the plan at the September and December 2015 and January 2016 committee meetings. The committee recommended and the board approved a public comment period on the plan in March 2016; this comment period was held March 23 – May 4, 2016. On April 24, 2016, the committee reviewed the comments received and changes made to the plan based on these comments, and recommended board adoption of the plan.

The Transition Plan contains a goal for statewide transition to One Watershed, One Plan, consistent with the legislative goal to transition by 2025. The plan also contains methods and an estimated pace of progress for achieving the goal. Methods include both funding and non-funding incentives.



Board Resolution # 16-

**COMPREHENSIVE WATERSHED MANAGEMENT PLANNING
PROGRAM TRANSITION PLAN**

WHEREAS, Minnesota Statutes §103B.801 establishes the Comprehensive Watershed Management Planning Program which is also known as One Watershed, One Plan; and

WHEREAS, Minnesota Statutes §103B.801, Subd. 3 provides that the Board shall develop policies for coordination and development of comprehensive watershed management plans; and

WHEREAS, Minnesota Statutes §103B.801, Subd. 4 provides that the Board shall develop policies for required comprehensive watershed management plan content consistent with comprehensive local water management planning; and

WHEREAS, Minnesota Statutes §103B.801, Subd. 5(a) provides that the Board shall develop and adopt, by June 30, 2016, a Transition Plan for development, approval, adoption, and coordination of plans consistent with section 103A.212; and

WHEREAS, on December 15, 2015 the Water Management and Strategic Planning Committee (Committee) recommended and the Board proceeded with announcing public review and comment period for the Transition Plan to be initiated after final Committee review of the Transition Plan at its March 26, 2016 Committee meeting; and

WHEREAS, a comment period was held on the Transition Plan from March 23 through May 4, 2016; and

WHEREAS, upon review and consideration of comments received at their April 24, 2016 meeting, the Committee recommended the Board adopt the attached Transition Plan at its June 22, 2016 meeting.

NOW THEREFORE BE IT RESOLVED, the Board hereby:

Adopts the One Watershed, One Plan Transition Plan, dated May 2016.

Brian Napstad, Chair
Board of Water and Soil Resources

Date: _____

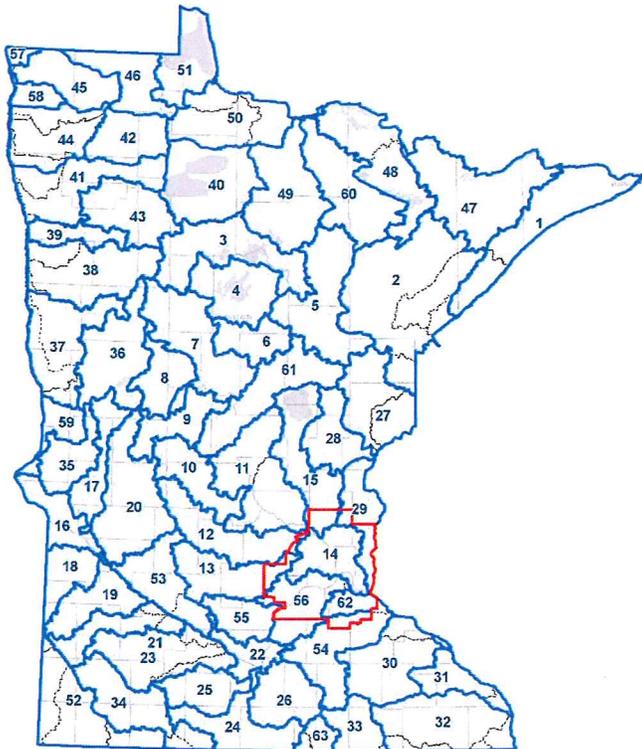
Attachments:
One Watershed, One Plan Transition Plan May 2016



One Watershed One Plan

Transition Plan

Version 1.0



May 2016



Minnesota Board of Water and Soil Resources
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www.bwsr.state.mn.us

This plan has been prepared for the Minnesota State Legislature by the Minnesota Board of Water and Soil Resources (BWSR) in fulfillment of the requirements of Minnesota Statutes §103B.801, Subdivision 5(a).

Prepared by: Melissa Lewis, Elizabeth Henley, Lori, Krider, and Celi Haga.

The estimated cost of preparing this report (as required by Minnesota Statutes §3.197) was:

Total staff time:	\$1520
Production/duplication:	\$30
Total:	\$1550

BWSR is reducing printing and mailing costs by using the Internet to distribute reports and information to wider audiences. This report is available at <http://www.bwsr.state.mn.us/publications/legislative.html> and available in alternative formats upon request.

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I. Introduction

One Watershed, One Plan is rooted in work initiated by the Local Government Water Roundtable (Association of Minnesota Counties, Minnesota Association of Watershed Districts, and Minnesota Association of Soil and Water Conservation Districts). Roundtable members recommended that the local governments charged with water management responsibility should organize and develop focused implementation plans on a watershed scale. The recommendation supported 2012 legislation that authorized the Minnesota Board of Water and Soil Resources (BWSR) to adopt methods to allow comprehensive plans, local water management plans, or watershed management plans to serve as substitutes for one another; or to be replaced with one comprehensive watershed management plan (One Watershed, One Plan).

Under current statute, county water plans and soil and water conservation district (SWCD) comprehensive plans are voluntary (Minnesota Statutes §103C.331, Subd. 11. “A district may develop and revise a comprehensive plan...”, and M.S. §103B.331, Subd. 1 “Each county is encouraged to develop and implement a local water management plan...”). In contrast, watershed districts statewide and watershed management organization plans in the metropolitan area are mandatory (M.S. §103D.401, Subd. 1 “The managers must adopt a watershed management plan...” and M.S. §103B.231, Subd. 1 “A watershed management plan is required for watersheds ... wholly or partly within the metropolitan area...”). One Watershed, One Plan is also voluntary. However, all counties, SWCDs, and watershed districts are required to have a current plan to be eligible for state funding.

BWSR’s vision for One Watershed, One Plan, developed with the Roundtable recommendation as a foundation, is to align local water planning on major watershed boundaries with state strategies towards prioritized, targeted, and measurable implementation plans – the next logical step in the evolution of water planning in Minnesota. Additional legislation passed in 2015 provides purposes and plan content requirements for comprehensive watershed management plans, clarifies that local government water plan authorities are retained when plans are substituted or replaced by a comprehensive watershed management plan, and requires BWSR to develop and adopt a transition plan with a goal for statewide transition by 2025.

BWSR will encourage transition to comprehensive watershed management planning (One Watershed, One Plan) by:

1. Continued planning grants and program support.
2. Use performance-based criteria to support planning and implementation.
3. Consideration of comprehensive watershed management plans in future grant allocations, including:
 - a. BWSR will consider status of local adoption of a comprehensive watershed management plan in future competitive grant awards.
 - b. BWSR will require adoption of a comprehensive watershed management plan by 2027 to be eligible for future competitive grant awards through BWSR, except for within the Metropolitan Area.
4. Streamlining current plan extension and amendment requirements within existing authorities.
5. Developing and implementing training, concentrated in the initial five years of the transition period, specifically covering skills needed to transition.
6. Committing staff resources.

Vision: The vision of One Watershed, One Plan is to align local water planning on major watershed boundaries with state strategies towards prioritized, targeted and measurable implementation plans – the next logical step in the evolution of water planning in Minnesota.

Purpose: The purpose of this Transition Plan is to outline expectations and identify incentives for local governments to participate in development and implementation of comprehensive watershed management plans in order to achieve statewide transition by 2025.

7. Supporting models and tools for use by local governments to prioritize resource challenges and risks, and target implementation to produce measurable results that maximize the value of each dollar spent on watershed protection.

More information about these items can be found in section V. Incentives for Transition.

Additional information about the One Watershed, One Plan program can be found on the BWSR website:

<http://www.bwsr.state.mn.us/planning/1W1P/index.html>.

II. One Watershed, One Plan Guiding Principles

BWSR's vision for One Watershed, One Plan is to align local water planning on major watershed boundaries with state strategies towards prioritized, targeted, and measurable implementation plans – the next logical step in the evolution of water planning in Minnesota. This vision is supported with the following Guiding Principles, adopted by the BWSR Board on December 18, 2013. These principles have guided the development of the pilot program initiated in 2014 and the overall One Watershed, One Plan program adopted March 23, 2016.

One Watershed, One Plan will result in plans with prioritized, targeted, and measurable implementation actions that meet or exceed current water plan content standards.

One Watershed, One Plan will set standards for plan content that will be consistent with or exceed the plan approval standards currently in place for local water plans. Most existing water management plans contain adequate inventories of resources and assessment of issues. One Watershed, One Plan will build from this point, with an expanded focus on prioritized, targeted, and measurable implementation of restoration and protection activities. The intent is for these future water plans to use existing plans, local knowledge and other studies and planning documents—including Watershed Restoration and Protection Strategies developed through the Minnesota Pollution Control Agency—to establish plans with clear implementation timelines, milestones, and cost estimates that will address the largest threats and provide the greatest environmental benefit unique to each watershed.

One Watershed, One Plan is not an effort to change local government.

Local governments have been at the forefront of water management dating back to 1937 with the formation of the State's first SWCD. One Watershed, One Plan is intended to utilize the existing structures of counties, SWCDs, watershed districts and Metropolitan watershed management organizations by increasing collaboration and cooperation across political boundaries.

One Watershed, One Plan will strive for a systematic, watershed-wide, science-based approach to watershed management; informed by the participating local governments.

It is important for all communities to take part in managing their watersheds through goal setting, monitoring, restoring and protecting water resources and local habitats and ensuring a good quality of life for all who live, work, and recreate in those spaces. A decidedly “bottom up” approach for water management—allowing the key discussions of major water resource issues, concerns, problems, goals and objectives and potential solutions to originate and be first fully vetted at the stakeholder level—is envisioned. Expanding involvement and collaboration at the ground level creates greater buy-in and support at all levels of government.

One Watershed, One Plan will use the state's delineated major watersheds (8-digit hydrologic unit codes or HUC8) as the starting point for defining the preferred scale for local watershed management planning.

The Local Government Water Roundtable (LGWR), a collaboration between the Association of Minnesota Counties, the Minnesota Association of Watershed Districts, and the Minnesota Association of Soil and Water Conservation Districts, determined it is in the public interest to manage ground and surface water resources from the perspective of watersheds and aquifers and to achieve protection, preservation, enhancement, and restoration of the state's valuable water resources. This determination is consistent with the state's water management policy, furthered through legislation passed in 2012 that provided BWSR with: the authority to develop and implement a comprehensive watershed management planning approach and to establish a suggested watershed boundary framework for implementing this planning approach. One Watershed, One Plan will transform the current system of water plans, largely organized along political boundaries, to one where plans are coordinated and consolidated largely on a watershed basis.

One Watershed, One Plan must involve a broad range of stakeholders to ensure an integrated approach to watershed management.

The underlying principle of watershed management is that people, land, and water are connected. People use land in a variety of ways, and affect ecosystems and ultimately their own communities for better or worse. Managing and protecting the environment while providing a high quality of life for people is a complex process that is most successful when governing bodies, community members, and experts in various fields are true partners in the planning process. One Watershed, One Plan envisions an approach that will pull parties together in every aspect of the water arena in a way that goes beyond the interests of any one government agency or stakeholder, and in a way that has never been done before.

Plans developed within One Watershed, One Plan should embrace the concept of multiple benefits in the development and prioritization of implementation strategies and actions.

Prioritized, multi-benefit projects provide benefits to more than one group or interest and address more than one environmental resource within a watershed. These types of projects are necessary to build the support of citizens and agencies, achieve water quality and quantity goals, and produce the environmental goods and benefits that a healthy watershed provides. Examples of multiple benefits might include a combination of any of the following: flood control, water quality benefits, ecological benefits, administrative efficiencies, economic benefits, or others. Identification of and action on multi-benefit projects should be a priority in One Watershed, One Plan strategies and actions.

One Watershed, One Plan implementation will be accomplished through formal agreements among participating local governments on how to manage and operate the watershed.

Decision making that spans political boundaries is essential to fully implement watershed management and achieve established goals for the watershed; therefore, formal agreements outlining the means and method for this decision making are also essential.

One Watershed, One Plan planning and implementation efforts will recognize local commitment and contribution.

History shows us that when local water management programs and projects rely almost entirely on outside funding, they are unable to sustain themselves over time. Locally supported and funded technical, administration, support, and outreach activities that leverage funding from the State will be key to ensuring sustainable local government capabilities and long-term success on both the local level and watershed scale.

One Watershed, One Plan is not intended to be a one size fits all model.

One Watershed, One Plan must recognize that our local governments charged with water management are just as diverse as the water resources and landscapes that we have in the state. As such, the One Watershed, One Plan policies and procedures guided by this principle will be designed to provide options for local governments that can account for these differences while at the same time allowing them to move forward in achieving the transition to comprehensive watershed management plans that blanket the state.

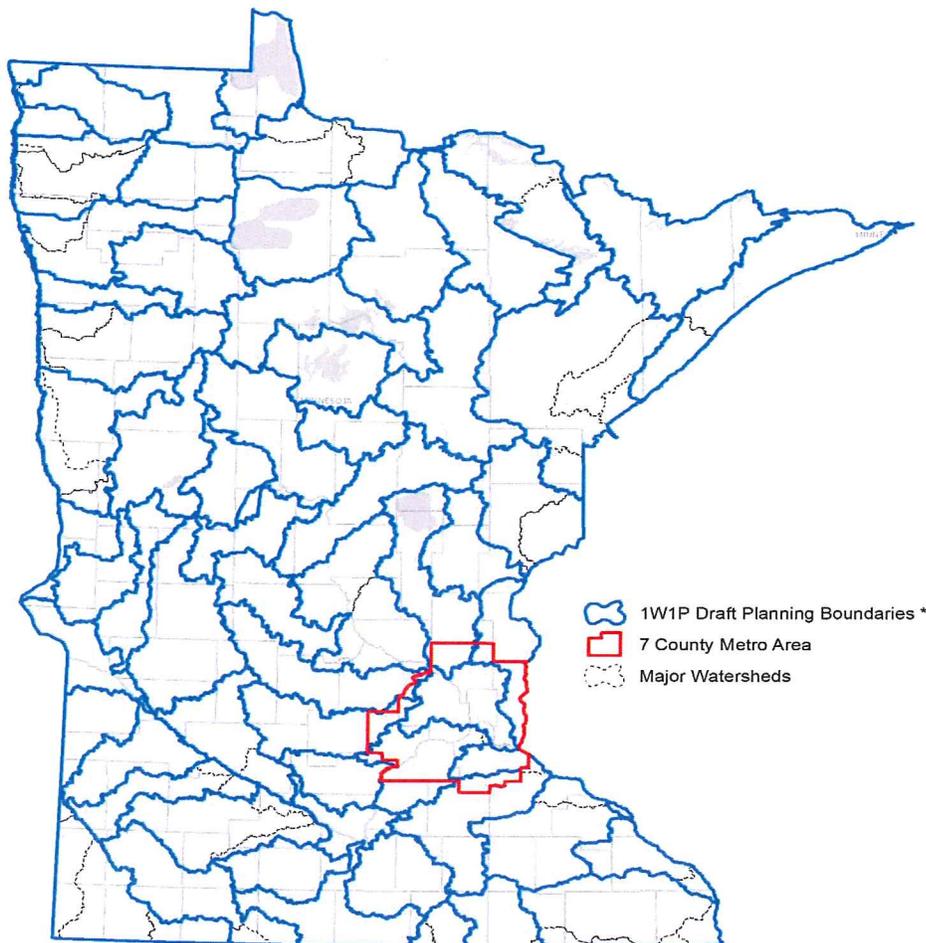
III. Transition Overview

Minnesota Statutes §103B.801 requires BWSR to “develop and adopt, by June 30, 2016, a transition plan for development, approval, adoption, and coordination of plans consistent with section 103A.212. The transition plan must include a goal of completing statewide transition to comprehensive watershed management plans by 2025.” The statute also indicates that the metropolitan area may be considered for inclusion in the transition plan. The purpose of this transition plan is to outline expectations and identify incentives for local governments to participate in development and implementation of comprehensive watershed management plans statewide, by 2025. Incentives may include both funding and non-funding options.

A Comprehensive Watershed Management Plan means a plan to manage the water and related natural resources of a watershed ... that has been approved as a substitute by the [BWSR] board and adopted by local units of government...” (Minnesota Statutes §103B.3363, Subd. 3a)

BWSR adopted the Suggested Boundary Framework map shown in Figure II.1 which provides the geographic context for development of comprehensive watershed management plans, consistent with Minnesota Statutes §103A.212, Minnesota’s Water Management Policy. Sixty-three planning boundaries currently exist within this map. Of these sixty-three, two are contained wholly within and six cross into the metropolitan area. These areas are more fully discussed in the Section VI. One Watershed, One Plan and the Metropolitan Surface Water Management Act.

Figure II.1: Suggested Boundary Framework



Recognizing the legislative expectation for transition of all local water planning of counties, watershed districts, and SWCDs to comprehensive watershed management plans by the year 2025; Table 1 outlines an anticipated pace of progress necessary to meet this goal, possible if funding from the state for plan development remains consistent with funding available in the 2016-2017 biennium. This pace of progress assumes development of each plan takes 1.5-2 years, and that the pace is reasonable for local government and state agency staff supporting the transition.

Table II.1: Estimated Pace of Progress*

<u>Start Year</u>	<u># Plans Adopted or In Progress</u>	<u>Sum of Plans Completed**</u>
2014-15 (pilot years)	5	
2016	6	5
2017	6	11
2018	7	17
2019	7	24
2020	7	31
2021	7	38
2022	7	45
2023	7	52
2024	2	59
2025	***	61

*Assuming planning funds continue to be available from the state throughout the transition period.

**Assume 1.5 - 2 years from start to completion, does not include two planning boundaries wholly in metro, and does not take into account that the planning boundaries are suggested and the final number of boundaries may change.

***Anticipate some plans will be finishing in 2025 and 2026, and revisions of the original pilot plans will start in 2026 at the end of the 10-year authorization for the first comprehensive watershed management plan.

IV. Initiating Plan Development

Participation in One Watershed, One Plan is voluntary. The first plans were initiated under a pilot program begun in 2014. The pilots were selected through a nomination process with the dual purpose of completing a watershed-based plan and informing development of the overall One Watershed, One Plan program. With adoption of a program by the BWSR Board in 2016, any partnership within a watershed boundary that meets the requirements outlined in the One Watershed, One Plan Operating Procedures may initiate development of a comprehensive watershed management plan. Plan initiation will be coordinated to the extent possible with existing local water plan updates, with development or completion of Watershed Restoration and Protection Strategies (WRAPS, see <http://www.pca.state.mn.us/>), and with consideration of the readiness and availability of the partners to participate in the planning effort.

The Board of Water and Soil Resources will encourage initiation of comprehensive watershed management planning (One Watershed, One Plan) by:

1. Coordinating plan development with existing water plan processes and schedules.
2. Maintaining geographic distribution of planning efforts.
3. Providing planning grants as available.
4. Emphasizing and prioritizing planning that addresses the high-level state priorities identified in the Nonpoint Priority Funding Plan.

Transitioning from traditional local water planning to comprehensive watershed management planning (One Watershed, One Plan) can be challenging and time-consuming, both for the local governments involved and the state agencies providing support -- especially in the early years of a new program. To assist local governments with the transition, the legislature provided funding to BWSR in the 2014/2015 biennium and again in the 2016/2017 biennium for the purposes of assistance, oversight, and planning grants to local governments. Successful transition is in part dependent on continuation of this funding. Additionally, BWSR will attempt to maintain geographic distribution of planning efforts initiated with these funds to further assist state and local agency partners in managing workload associated with the transition.

Coordination with existing processes, maintaining geographic distribution, and providing planning grants are all methods for streamlining and assisting with the transition. In addition, BWSR recognizes that some areas of the state will benefit from earlier transition to watershed-based planning to address potential resource priorities and threats. High-level state priorities identified in the Nonpoint Priority Funding Plan (NPF) include: restoring impaired waters that are closest to meeting state water quality standards; protecting those high-quality unimpaired waters at greatest risk of becoming impaired; and restoring and protecting water resources for public use and public health, including drinking water. The NPF is a requirement of the Clean Water Accountability Act, passed by the Minnesota Legislature in 2013, to "prioritize potential nonpoint actions based on available WRAPS, TMDLs, and local water plans." (Minnesota Statutes, Section 114D.50, subdivision 3a). To consider certain aspects of these high-level priorities statewide, BWSR has partnered with the University of Minnesota to leverage the Watershed Assessment Tool in the following basin assessments. The Watershed Assessment Tool is a GIS-based tool developed in Microsoft Excel that scores watersheds within a sub-basin based on user-selected attributes. Attributes can include both natural and anthropogenic characteristics. A ranking of these scores adds to the framework used for making decisions associated with future planning funding.

Finally, factors such as the status of current water plans and the WRAPS report will influence the readiness of local partners to participate in development of a comprehensive watershed management plan. Analysis of all these factors on a statewide basis while maintaining geographic distribution is complex; therefore, the following basin-by-basin assessment applies the factors to each planning boundary and provides discussion at a basin scale. BWSR will consider this analysis in future delivery of planning grants for transition. Partnerships within planning boundaries that decide to move forward without financial assistance from BWSR are also encouraged to consider the factors used in this analysis.

1. Basin-by-Basin Assessment

While the state includes all or portions of ten major watershed basins, the following analysis combines a few of the major basins where there is significant overlap in counties within the combined area, plus fewer planning boundaries within each basin. Additionally, each assessment includes a description of the current status of plan expiration dates and estimated WRAPS completion dates. These dates will change over the timeframe of this Transition Plan. For the most up-to-date information on the status of plans, go to the BWSR website:

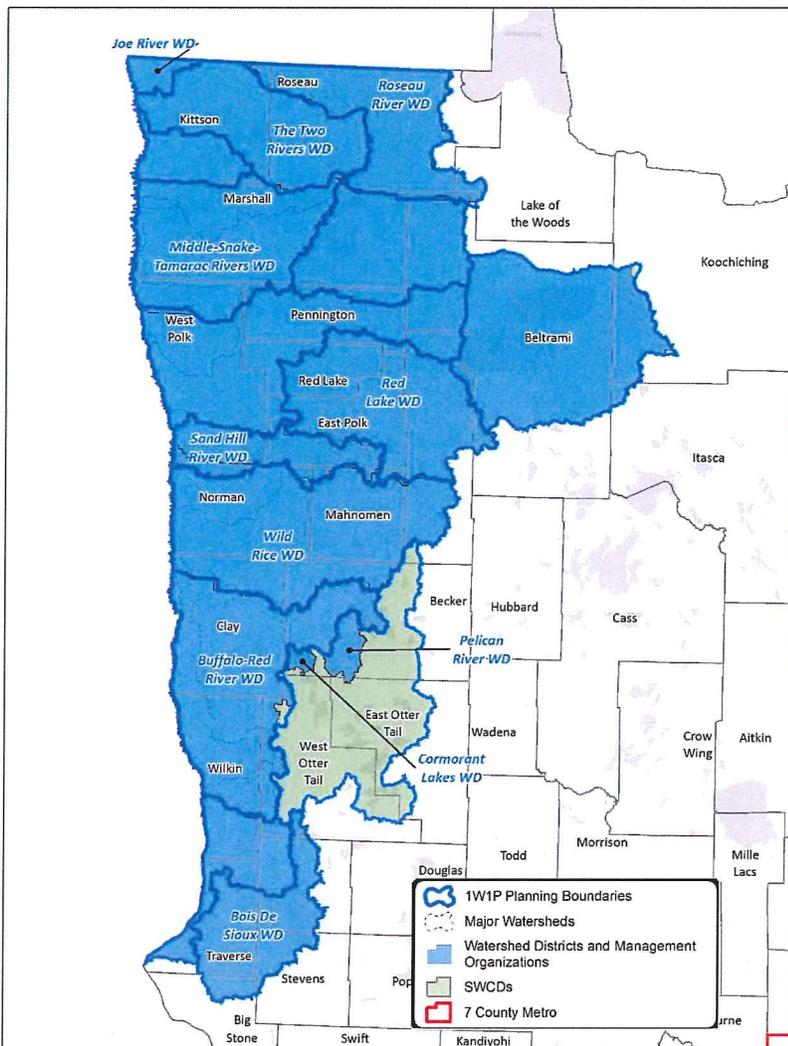
www.bwsr.state.mn.us/. For more information about the WRAPS and individual watershed information, go to: www.pca.state.mn.us/index.php/water/water-types-and-programs/watersheds/watershed-overview-map.html.

a. Red River Basin

The Red River Basin stretches from northeastern South Dakota and west-central Minnesota northward through eastern North Dakota and northwestern Minnesota into southern Manitoba. It ends where the Red River empties into the southern end of Lake Winnipeg. The Minnesota portion of the Red River Basin covers about 37,100 square miles in northwestern Minnesota. It is home to about 17,842 miles of streams, 668,098 acres of lakes, all or part of 21 counties, 12 watershed districts, and 15 One Watershed, One Plan suggested planning boundaries (Figure III.1).

The Red River Basin is a highly agricultural watershed. As such, pollution associated with drainage and damages associated with flooding are of concern. Also, there are important ecological features and habitat, including fens and bogs, and large amounts of wetlands and lakes in some portions of the basin. There are also concerns for nutrient loading, specifically phosphorus, into Lake Winnipeg.

Figure III.1: Red River Basin One Watershed, One Plan Boundaries and Local Government Units



Local governments in the Red River Basin have a long history of collaboration, primarily due to basin-wide flooding. Many of these local governments have already expressed commitment to One Watershed, One Plan through either commitment to the pilot effort or synchronization of current planning efforts to better align with future development of comprehensive watershed management plans. The basin is nearly 100% covered by watershed districts. The existing Red River Watershed Management Board, a partnership between the watershed districts in the basin, has a potential regional leadership role in facilitating transition.

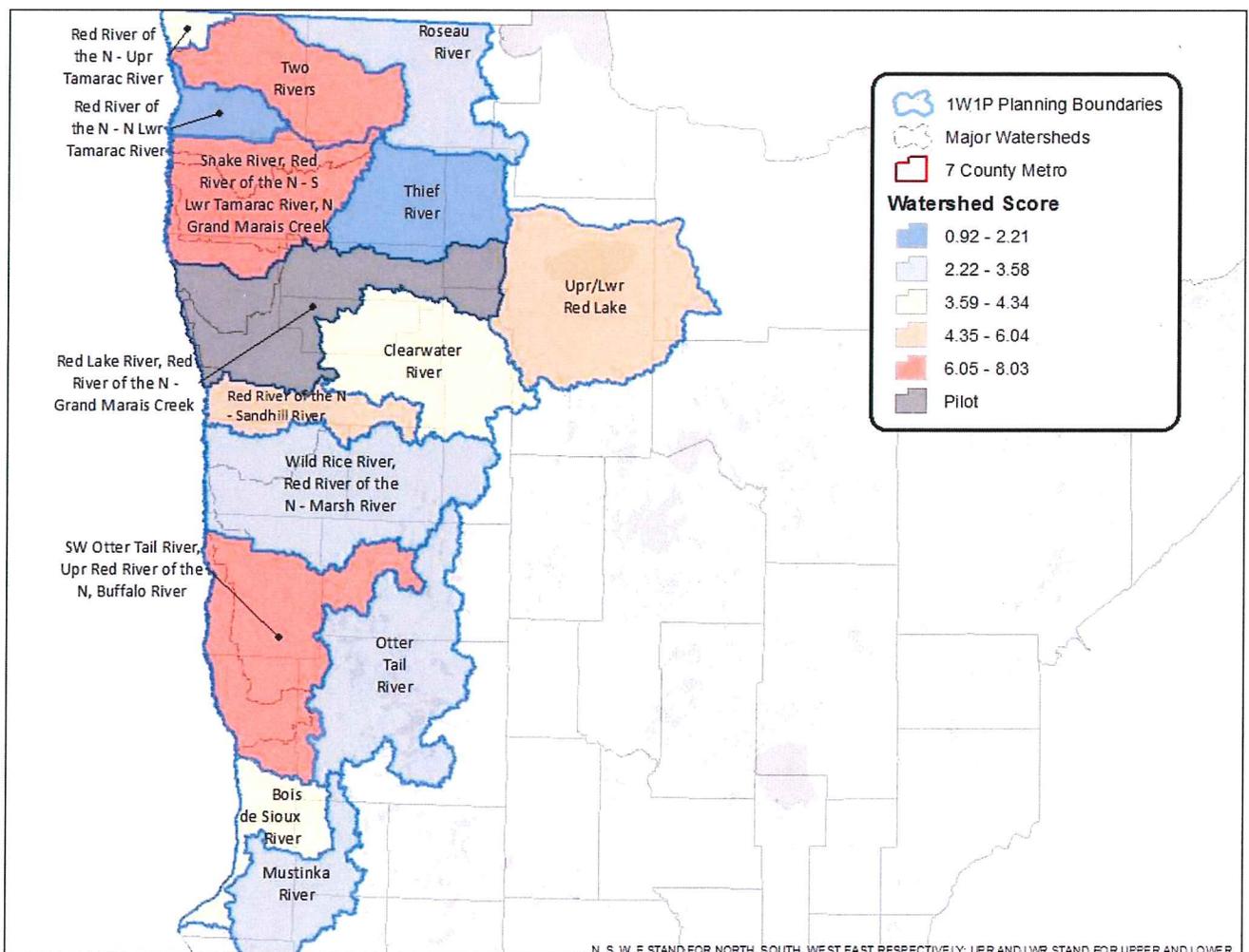
County and watershed district plans within the basin have expiration dates that range from the end of 2016 to 2022. At the writing of this transition plan, all the SWCDs in the basin adopt their county's local water plan. The

majority of the WRAPS in the Red River Basin are scheduled to be completed by 2019 or earlier, with only the Ottertail River not scheduled for completion until 2020. Currently, the Red River Basin contains all or portions of 34 different local water plans. Transitioning to One Watershed, One Plan could reduce this number to 15 plans in the basin. This basin also includes the Red Lake River One Watershed, One Plan pilot planning area, which will have a completed plan in 2016.

With fifteen suggested planning boundaries in this major basin, including the Red Lake River pilot area, partnerships would need to initiate planning efforts in one to two planning areas per year starting in 2016 to achieve the 2025 goal.

Figure III.2 below shows application of the Watershed Assessment Tool in the Red River Basin, focusing on indices that represent slopes, drained lands, impaired streams, biologically significant areas, and soils. See Appendix C for specific attributes used. The watershed score is only relative to the planning boundaries in the basin. The results provide additional factors for consideration in future planning funding decisions in this basin.

Figure III.2. Watershed Assessment Model Results, Red River Basin



b. Rainy River and Arrowhead (Great Lakes) Basins

The Rainy River and Arrowhead Basins were combined for the purposes of this assessment due to the two basins spanning a number of common counties in the area as well as the similarities in the landscapes within the two basins. The Basins are highly forested with smaller, remote cities in the interior and port cities along the Lake Superior Coast, including Duluth, Two Harbors, Silver Bay and Grand Marais.

The Rainy River Basin sits on Minnesota's border with Canada and encompasses portions of Beltrami, Cook, Itasca, Koochiching, Lake, Lake of the Woods, Roseau, and St. Louis Counties. This area is highly valued for its natural resources, including forestry, fisheries, as well as iron ore and taconite. A large portion of this basin is located in the Boundary Waters Canoe Area, a world-known wilderness area. The waters from the Rainy River Basin flow north, eventually arriving in Hudson Bay.

The Minnesota portion of the Lake Superior Basin encompasses portions of Aitkin, Carlton, Cook, Itasca, Lake, Pine and St. Louis Counties, covering approximately 6,200 square miles. Major watersheds in the basin include the Cloquet, Nemadji and St. Louis River systems, as well as the North Shore tributaries to Lake Superior. Lake Superior's lake clays near the shoreline are highly susceptible to transport to surface waters. This, combined with a steep change in elevation along the North Shore of Lake Superior, results in ravine and bluff erosion. Protective measures are needed to maintain the integrity of this mostly undeveloped tract of land.

Included in the combined area are all or part of ten counties, eleven SWCDs, one watershed district, and eight suggested planning boundaries, including the Lake Superior North One Watershed, One Plan pilot (see Figure III.3). County plan expiration dates in this area range from 2016-2024. The watershed district in the combined basins is the Warroad Watershed District in the northwest portion of the Rainy River with a plan expiration date of 2017. As of the writing of this transition plan, only two SWCDs in the basin write their own five-year comprehensive plan (Carlton and Lake). A few of the WRAPS are scheduled to be completed in 2016 and 2017, a few more in 2018 and 2019, and the rest are scheduled to be completed after 2020.

This basin also includes the Lake Superior North One Watershed, One Plan pilot planning area, which will have a completed plan in 2016. Transitioning to One Watershed, One Plan in these basins could reduce the number of local water plans from thirteen currently to eight total within the basin.

With eight suggested planning boundary partnerships, these basins will need to initiate about one planning effort every year to achieve the 2025 goal.

Figure III.3: Rainy River and Arrowhead One Watershed, One Plan Boundaries and Local Government Units

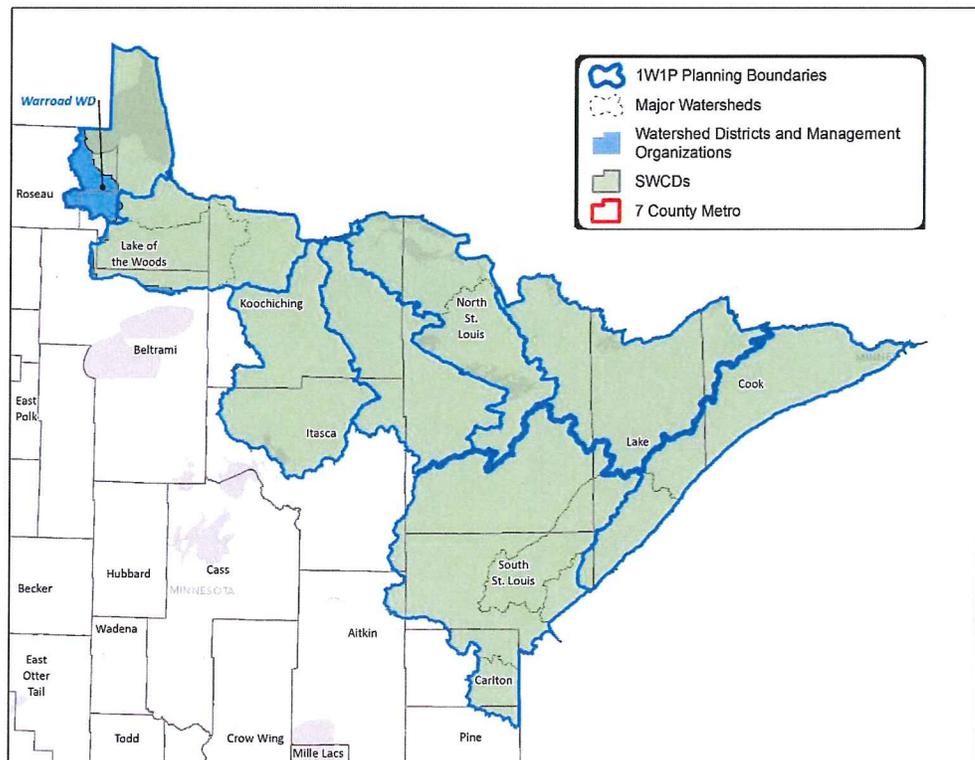
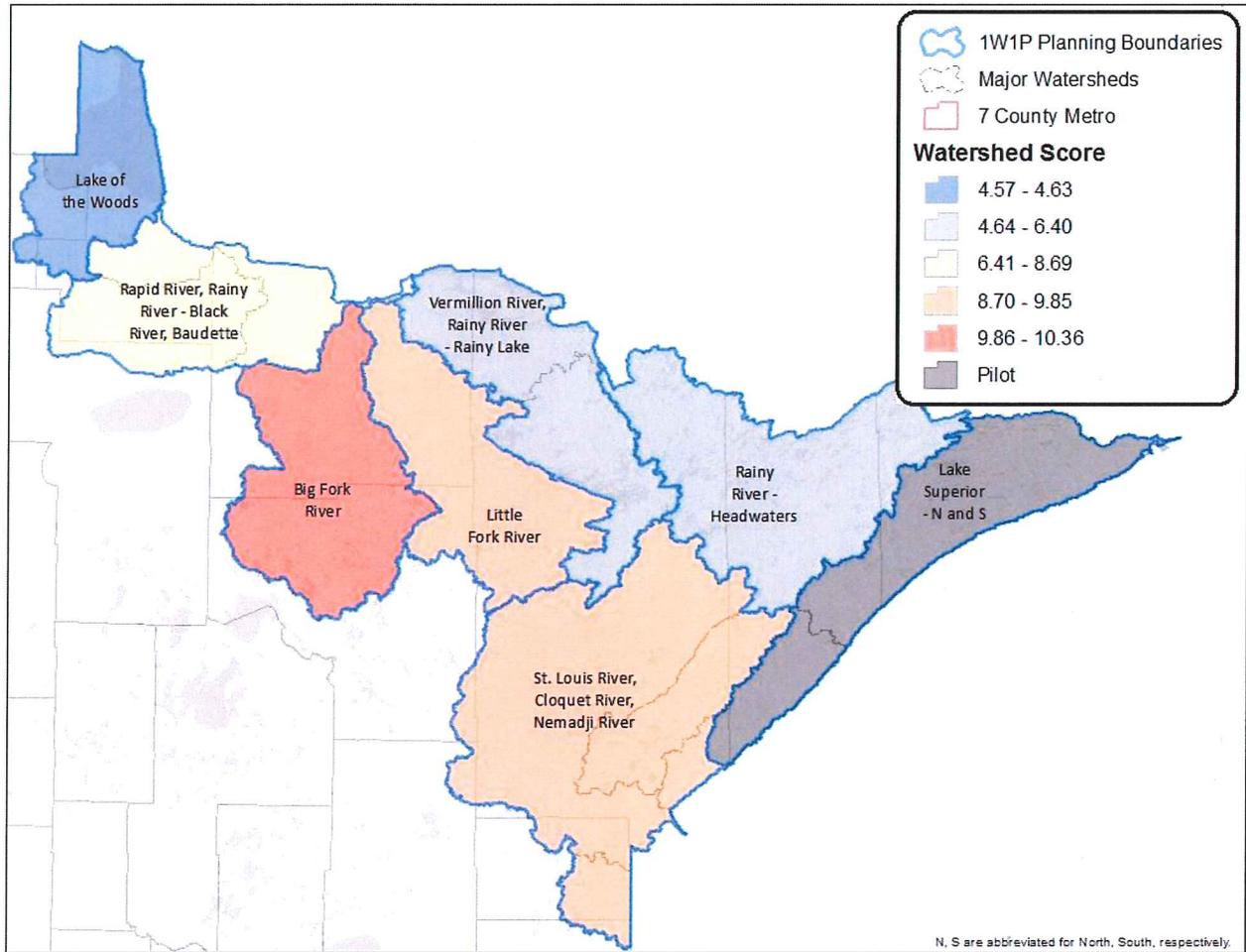


Figure III.4 shows application of the Watershed Assessment Tool in the Rainy River and Arrowhead Basins, focusing on the indices in the model that represent wildlife, soil erosion, and water quality risks, timber land values, and unimpaired lakes and streams. See Appendix C for specific attributes used. The watershed score is only relative to the planning boundaries in the basin. The results provide additional factors for consideration of future planning funding decisions in these basins.

Figure III.4. Watershed Assessment Model Results, Arrowhead and Rainy River



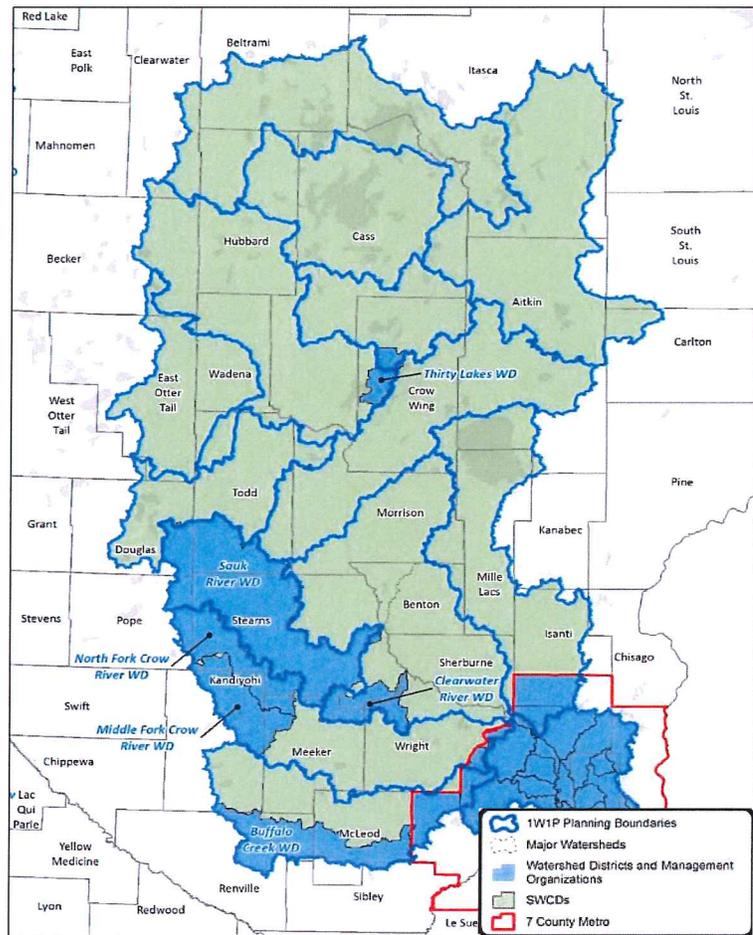
c. Upper Mississippi River Basin

The Upper Mississippi River Basin shelters the Headwaters of the Mississippi River. From its start at Itasca State Park, the Mississippi River flows south 2,350 miles to the Gulf of Mexico. The Mississippi River's first basin is called the Upper Mississippi River Basin. This river basin covers approximately 20,100 square miles, all or part of thirty counties and SWCDs, and six watershed districts outside the metropolitan area. Additional watershed districts and watershed management organizations in the Mississippi River Twin Cities major watershed of this basin are fully contained in the metropolitan area and are not included in this assessment. The Upper Mississippi River Basin includes thirteen suggested planning boundaries, excluding the boundary wholly within the Twin Cities.

The land use in the Upper Mississippi River Basin is highly variable. There are large portions to the north that are mostly forested, with lakes and highly valued recreational resources such as fisheries. The southern portion is becoming increasingly more populated, particularly in and around St. Cloud. Due to the sensitive geology in this region (the Anoka Sand Plains and other areas of outwash sand), drinking water is coming under increased threat due to contamination. Land use changes include urbanization and increased size of farming operations, so impairments associated with manure, land use change, and population growth is becoming more of a concern.

The Basin provides a majority of the drinking water for the Twin Cities Metropolitan Area and includes the Straight River Groundwater Management Area (GWMA), the eastern two thirds of the Bonanza Valley GWMA, and portions of the Northeast Metro GWMA. Many of the suggested planning boundaries in the basin are administrative in nature, suggesting potential opportunities for realignment, particularly for those planning boundaries that span the Mississippi River. The Mississippi Headwaters Board, a joint powers board of eight counties in the area, may have potential for providing leadership during the transition in the portions of the basin covered by the board.

Figure III.5: Upper Mississippi One Watershed, One Plan Boundaries and Local Government Units (excluding Twin Cities Metro Area)



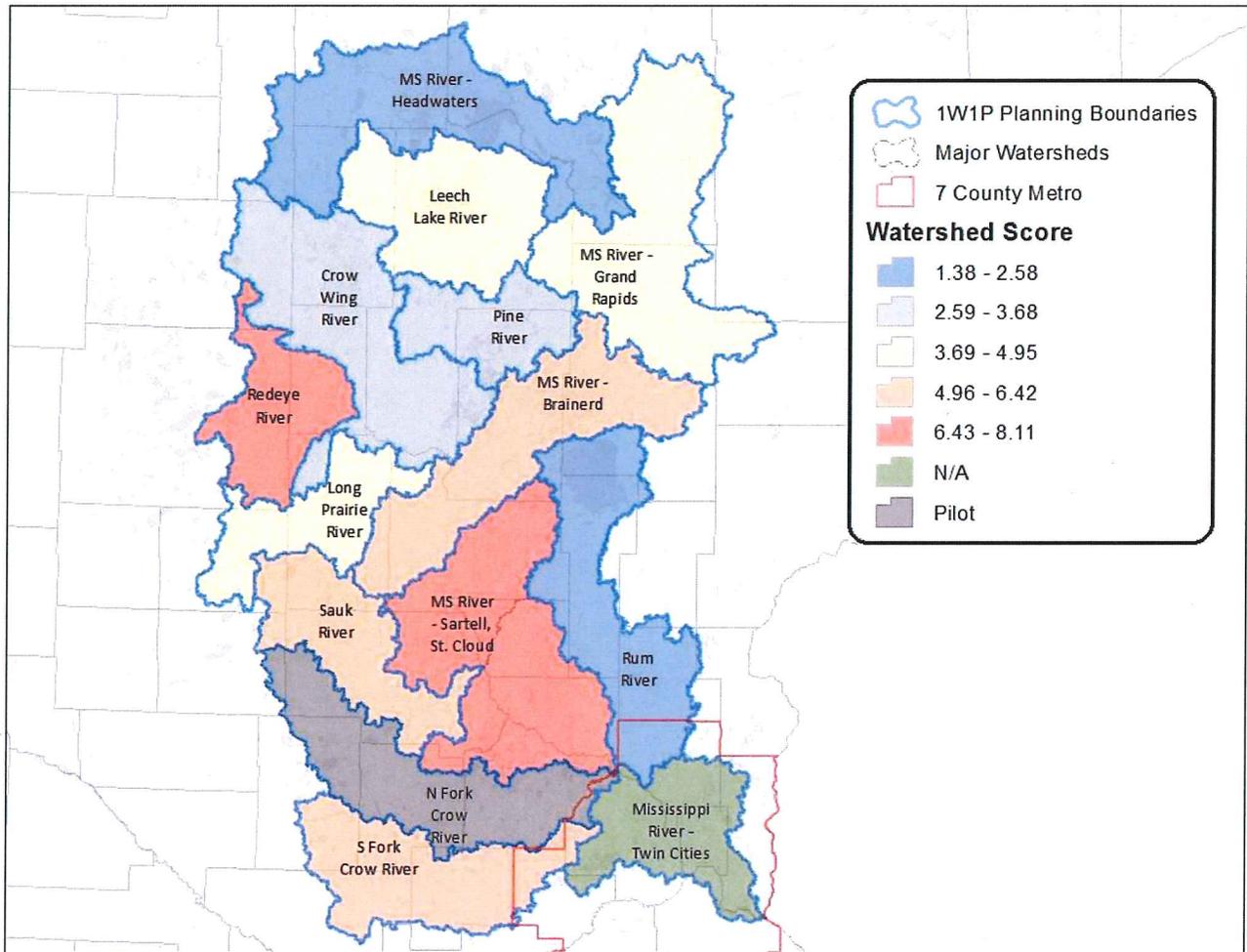
With the number of counties in the basin, the Upper Mississippi River has a wide range of county plan expiration dates with many expiring in 2016-2017, and many in 2020 and beyond. The four watershed districts outside the North Fork Crow pilot all have plan expiration dates after 2021; one of these, Sauk River, covers an entire planning boundary. Four of the planning boundaries span the metro line, including the North Fork Crow pilot area. See Section VI. One Watershed, One Plan and the Metropolitan Surface Water Management Act of this plan for more discussion on these areas. Outside of the metro area, only Wright SWCD writes its own comprehensive plan. This basin also includes the North Fork Crow River One Watershed, One Plan pilot planning area, which will have a

completed plan in 2017. Excluding the metro plans, this basin has the potential to go from portions of thirty seven plans (recognizing many of these overlap into other basins) to thirteen total in the basin.

With thirteen planning boundaries, including the North Fork Crow pilot, partnerships in one to two suggested planning boundaries per year would need to initiate planning efforts to meet the 2025 goal.

Figure III.6 shows application of the Watershed Assessment Tool in the Upper Mississippi, focusing on indices that represent population growth and landuse change, drinking water and wellhead protection areas, and unimpaired lakes and streams. See Appendix C for specific attributes used. The watershed score is only relative to the planning boundaries in the basin. The results provide additional factors for consideration in future planning funding decisions in this basin.

Figure III.6. Watershed Assessment Model Results, Upper Mississippi

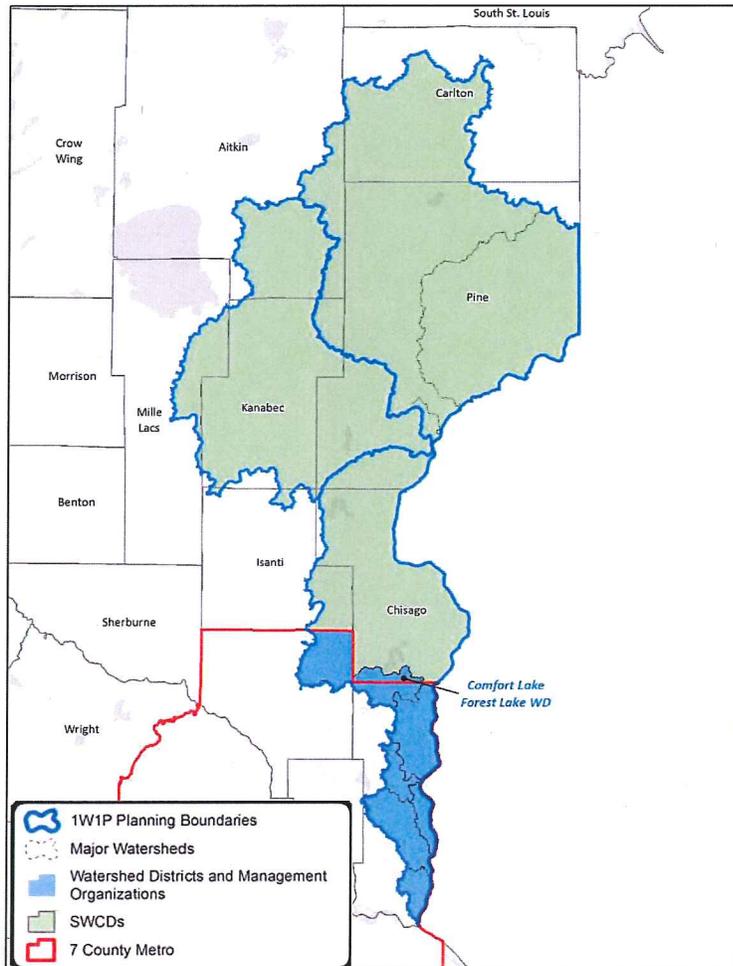


d. St. Croix Basin

The St. Croix River Basin covers approximately 7,760 square miles and extends from near Mille Lacs Lake in Minnesota on the west to near Cable, Wisconsin, on the east. Approximately 46% of the watershed is located in Minnesota. The northern portions as well include large amount of wetlands. Increasing population pressures are driving a shift in land use change. The Minnesota portion of the St. Croix River Basin contains all or part of nine counties and nine SWCDs and three One Watershed, One Plan planning boundaries. Seven watershed districts and watershed management organizations are also contained within the metropolitan portion of the basin.

The area has had an active partnership through the non-profit St. Croix River Association which could provide a potential leadership role in the transition. Additionally, the Snake River major watershed already has an active partnership through a joint powers agreement between the counties within the watershed, and the local governments in the Lower St. Croix portion of the watershed have actively collaborated historically. The portion of the watershed within the metropolitan area includes the North East Metro Groundwater Management Area, adding complexity to this watershed. See Section VI. One Watershed, One Plan and the Metropolitan Surface Water Management Act of this plan for more discussion on the metropolitan portion of this basin.

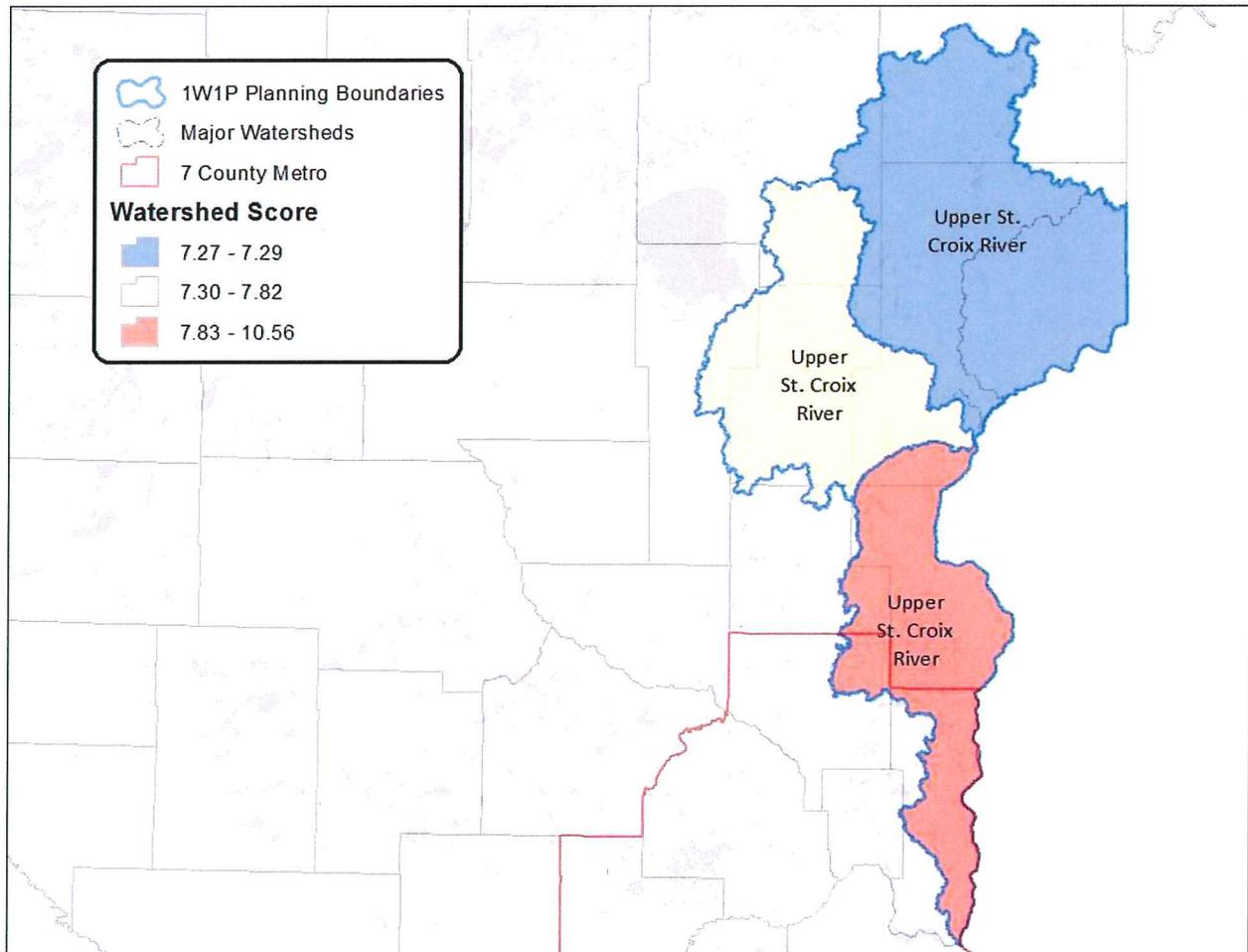
Figure III.7 St. Croix basin One Watershed, One Plan Boundaries and Local Government Units (excluding Twin Cities Metro Area)



County plan due dates are in 2016 -2023, and there are no watershed districts in the basin outside the metro area. All of the SWCDs outside the metro area adopt the county plans. The Snake River WRAPS was completed in 2014, and the WRAPS in the upper portion of the basin are not scheduled to be completed until 2020. The Lower St. Croix has a completed basin-level TMDL and smaller subwatershed scale WRAPS due to a significant portion of this major watershed crossing into the metropolitan area. Excluding the metropolitan portion, this area has the potential to go from portions of seven local water plans to three plans in the basin.

With only three planning boundaries and many plans recently updated, partnerships would need to initiate only one planning effort every third year to meet the 2025 goal. Readiness of the partners will likely have a larger influence over future planning funding decisions than application of the Watershed Assessment Tool, shown in Figure III.8. For the St. Croix Basin, the model focuses on indices that represent landuse change, water quality risk, biological significance, and percent row crops. The watershed score is only relative to the planning boundaries in the basin. See Appendix C for specific attributes used.

Figure III.8. Watershed Assessment Model Results, St. Croix Basin



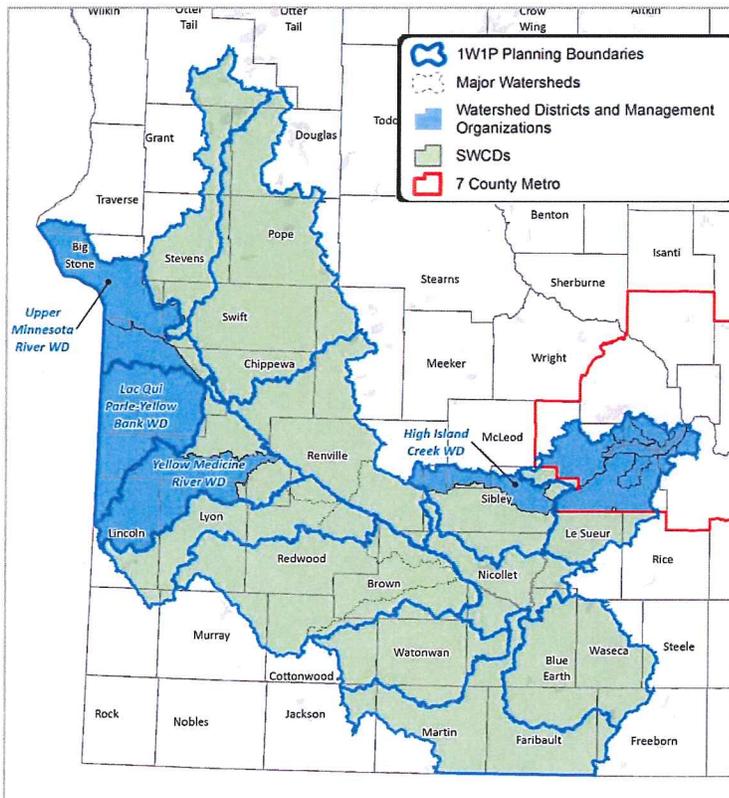
e. Minnesota River

The Minnesota River flows southeast from its source at Big Stone Lake on the South Dakota border to Mankato then northeast to join the Mississippi River at Fort Snelling. It covers approximately 16,770 square miles, roughly 10 million acres, and includes about a third of the Bonanza Valley GWMA. The basin touches 37 counties, 4 watershed districts, 13 major watersheds and 14 suggested planning boundaries.

The Minnesota River Basin is highly agricultural. Water pollution associated with concentrated animal feedlot operations, row crops, fertilizer, and erosion is of the upmost concern. Excess sediment from ravine and bluff erosion creates significant water quality and stability issues. In many areas, groundwater is threatened by nitrate contamination. The hydrology in this basin has been altered dramatically through the drainage of wetlands, the installation of subsurface tile drainage, and the channelization of streams into ditches.

A few of the suggested planning boundaries in the basin are administrative in nature and one crosses significantly into the metro area, suggesting potential opportunities for realignment. The basin no longer has a coordinated, basin-wide entity; however, two smaller organizations have expressed interest in leading the transition: Area II River Basin Projects, Inc. in the southwestern portion of the basin; and the Greater Blue Earth River Basin Alliance, which would cover the remaining portion of the basin on the south side of the river. Additionally, the Pomme de Terre major watershed has an existing Joint Powers organization between counties and SWCDs within the watershed; and the Chippewa River major watershed has a non-regulatory, cooperative partnership and citizen-based approach focused on improving water quality and watershed life in the Chippewa River and its tributaries. These existing partnerships cover about three-quarters of the basin.

Figure III.9 Minnesota River Basin One Watershed, One Plan Boundaries and Local Government Units (excluding the Twin Cities Metro)

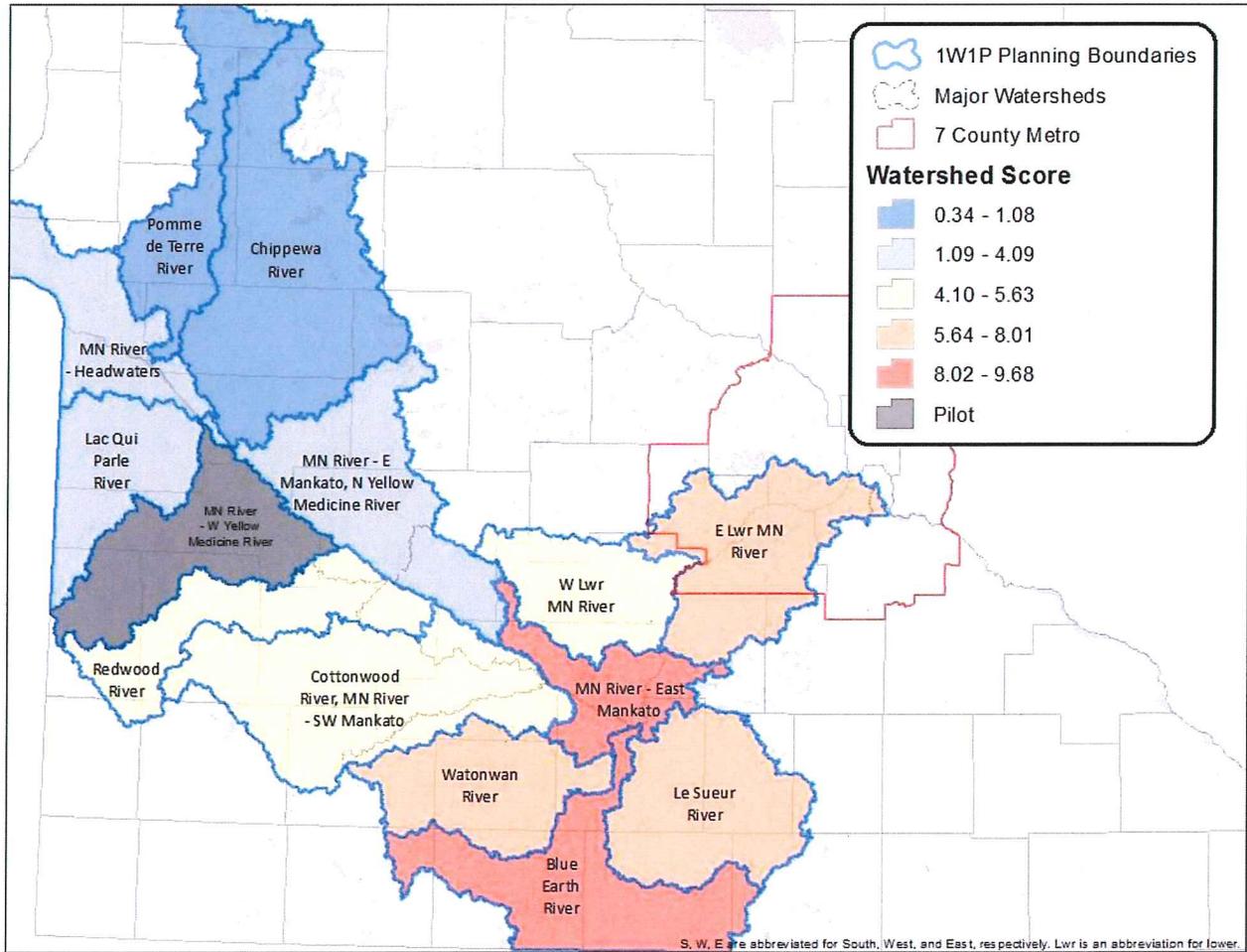


Counties on south side of the Minnesota River generally have plans expiring in the 2015 to 2018 range and the north side from 2018 to 2023. The four watershed districts in the area have plan expiration dates in 2019 to 2024. The SWCDs in the area all adopt the county water plans. WRAPS in the area range from the Pomme de Terre which was the first WRAPS written to scheduled completion dates out to 2021. This basin also includes the Yellow Medicine River One Watershed, One Plan pilot planning area, which will have a completed plan in 2016. Excluding the metropolitan area, this basin has the potential to go from portions of 41 water plans (recognizing many of these plans overlap into other basins) to a total of 14 in the basin.

With 14 planning boundaries, including the Yellow Medicine pilot, partnerships in one to two suggested planning boundaries would need to start per year to meet the 2025 goal.

Figure III.10 shows application of the Watershed Assessment Tool in the Minnesota River Basin, focusing on indices that represent drainage, nitrogen yield, soil erosion risk, percent row crops, and wellhead protection areas. See Appendix C for specific attributes used. The watershed score is only relative to the planning boundaries in the basin. The results provide additional factors for consideration in future planning funding decisions in this basin.

Figure III.10. Watershed Assessment Model Results, Minnesota River Basin

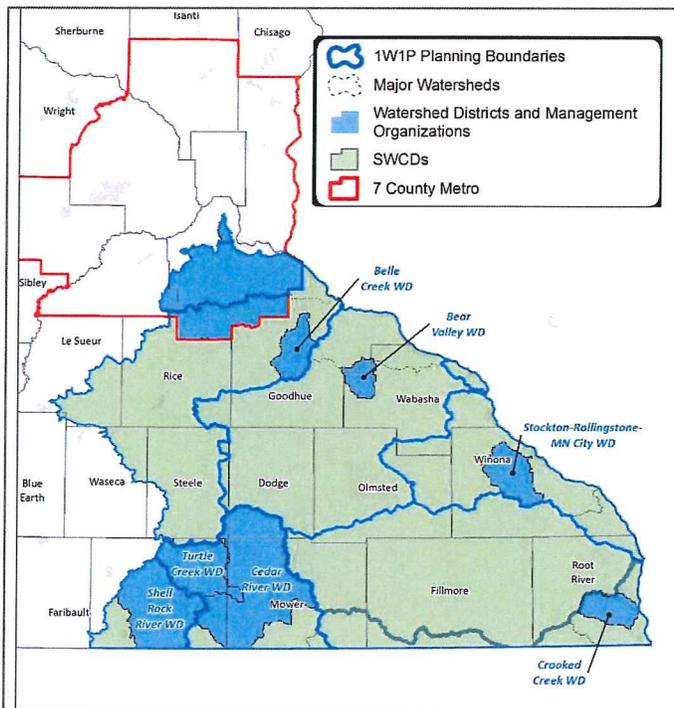


f. Southeast Minnesota, including the Lower Mississippi River Basin and the Cedar, Shell Rock, and Winnebago watersheds

The Lower Mississippi River and Cedar River basins, located in southeastern Minnesota, were combined for the purposes of this assessment. This area covers about 7,266 square miles, including all or part of 17 counties, seven watershed districts, two watershed management organizations in the metro area, 12 major watersheds, and seven suggested planning boundaries.

The Lower Mississippi River Basin is highly agricultural but with forested areas and streams in the eastern portions. Pollution associated with row crops and livestock farming is of concern. This area contains a portion of the Driftless Region and an important topographical feature known as karst. Karst topography can produce direct conduits between the land surface and groundwater aquifer, which creates concerns for groundwater contamination. This area is home to a large portion of the state’s trout habitat and is in need of protective measures to maintain adequate trout habitat. Increasing population trends are causing landuse changes along the Twin Cities to Rochester to Winona corridor.

Figure III.11 Southeast One Watershed, One Plan Boundaries and Local Government Units (Twin Cities Metro excluded)



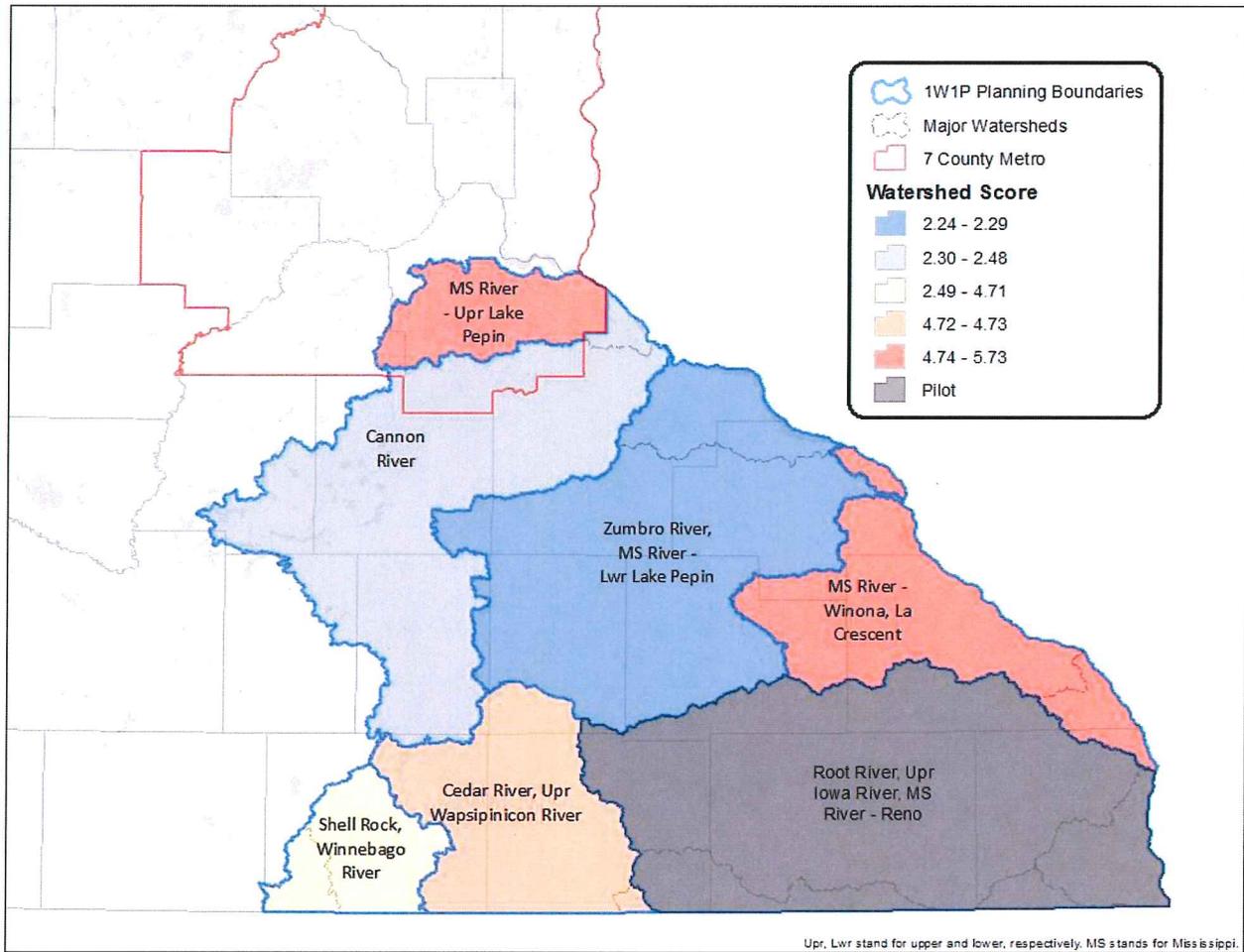
The Southeast Minnesota Water Resources Board (SEMWRB) is a ten county Joint Powers Board that exists to help sustain the quality of life in the ten counties of Southeastern Minnesota by improving and protecting the water resources through the coordination of local water planning efforts that could assist with the transition. Additionally, the Cannon, Zumbro, and Whitewater Rivers all have local watershed-based organizations interested in supporting One Watershed, One Plan.

County plan due dates within the basin range from 2016 -2020. The watershed districts’ plan expiration dates range from overdue to expiring in 2021. Outside of the metro area, all the SWCDs but one (Steele) adopt the county plans. The majority of the WRAPS in the basin are scheduled to be completed by 2016 with only some of the small direct drainages to Iowa and to the Mississippi River being scheduled for completion by 2019. This basin also includes the Root River One Watershed, One Plan pilot planning area, which will have a completed plan in 2016. Excluding the metro, this area has the potential to go from portions of 25 plans to seven plans in the basin.

With only seven planning boundaries including the Root River pilot, only one start every year or two would be sufficient to meet the 2025 goal.

Figure III.12 shows application of the Watershed Assessment Tool in Southeast Minnesota, focusing on indices that represent soil and wildlife risk, population, percent row crops and drinking water. See Appendix C for specific attributes used. The watershed score is only relative to the planning boundaries in the basin. The results provide additional factors for consideration in future planning funding decisions in this basin.

Figure III.12. Watershed Assessment Model Results, Southeast Minnesota



g. Southwest Minnesota, including the Iowa and Missouri River watersheds

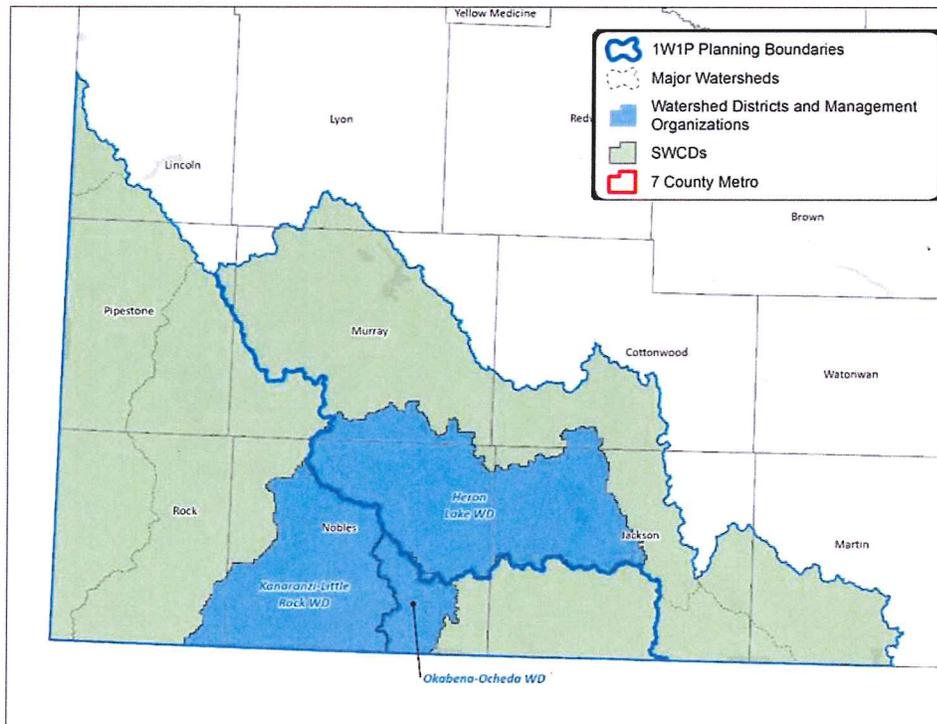
The portions of the Iowa and Missouri basins in southwest Minnesota were combined for purposes of this analysis. The Missouri portion includes the Upper and Lower Big Sioux, Little Sioux, and the Rock Rivers. The Iowa portion includes the Des Moines Headwaters, East Fork Des Moines, and the Lower Des Moines Rivers. Except for the Des Moines River Headwaters, all the watersheds in these basins are bisected by the state line. Land use in this area is predominantly row crop agriculture with some pasture and very few natural lakes. The area includes parts of nine counties, six major watersheds, three watershed districts and two suggested planning boundaries.

The South West Basin is highly agricultural with a considerable portion used for grazing. This area is part of the Coteau des Prairie, a glacial till plateau that formed between glacial lobes. The elevation of this plateau is considerably higher than the rest of Southern Minnesota, thus the flow off the Coteau into a flatter valley creates flooding issues. These issues are exacerbated by land use change and less water storage. Many of the streams are within this steeper, transition landscape, creating issues with ravine and bluff erosion. This area also contains the last remnants of Minnesota's tallgrass prairie landscape.

County plan due dates are in 2016--2019 and the watershed districts in 2019--2022. The SWCDs in the area all adopt the county water plans. The WRAPS for the Rock, Upper, Lower, and Little Sioux Rivers are scheduled to be completed in 2016; and the Des Moines River WRAPS by 2019. The area has the potential to go from portions of 12 plans to two plans in this basin.

With only two planning boundaries, one start every five years would be sufficient to meet the 2025 goal. Additionally, with only two planning boundaries, a figure of the Watershed Assessment Tool is not provided for this basin.

Figure III.13. Southwest Minnesota One Watershed, One Plan Boundaries and Local Government Units



2. Basin Assessment Summary

In summary, transitioning to comprehensive watershed management plans across the state is feasible within ten years if funding from the state for plan development is continued and if local government and state agency staff can maintain support for the transition. Maintaining a geographic distribution of planning efforts and coordination with existing plan expirations and WRAPS development processes are methods to help manage workload associated with planning. Support of regional entities in addition to these items will influence local governments' readiness to initiate a comprehensive watershed management planning (One Watershed, One Plan) process. All of these factors are fluid; therefore, a specific schedule is not included in this Transition Plan. Table III.2 indicates an estimated pace of progress by basin. BWSR will use the readiness factors discussed in the Basin Assessments coupled with the Watershed Assessment Tool to maintain this estimated pace of progress.

Table III.2. Estimated Pace of Progress by Basin*

Start Year	Red River	Rainy & Arrowhead	Upper Mississippi	St. Croix	Minnesota	Lower Mississippi	Southwest Minnesota	total/year
2014-15 (pilot years)	1	1	1		1	1		5
2016	1	1	1		2	1		6
2017	2		1		1	1	1	6
2018	1	1	2	1	2			7
2019	2	1	2		1	1		7
2020	1	1	2		2		1	7
2021	2	1	1	1	1	1		7
2022	2	1	2		2			7
2023	2	1	1		2	1		7
2024	1			1				2
2025	Anticipate revisions of original pilot plans will start in 2025							
total	15	8	13	3	14	6	2	61

*Does not reflect an actual schedule, may move between basins, between years, and does not include two planning boundaries wholly within the Metropolitan Area.

V. Incentives for Transition

1. Funding Incentives for Transition

Primary funding incentives for local governments to transition to One Watershed, One Plan include planning grants or funding to help with the transition, and whether access to future state funds changes based on the transition to One Watershed, One Plan.

BWSR will encourage transition to comprehensive watershed management planning (One Watershed, One Plan) through funding incentives by:

1. Continued planning grants and program support. BWSR will continue to request funding to support planning grants and the One Watershed, One Plan program in order to meet the legislative goal of statewide coverage by 2025.
2. Use performance-based criteria to support planning and implementation. BWSR will use the authority granted under Minnesota Statutes, Section 103B.3369, Subd. 9 to support the development and implementation of comprehensive watershed management plans (One Watershed, One Plan).
3. Consideration of comprehensive watershed management plans (One Watershed, One Plan) in future grant allocations.
 - a. BWSR will consider status of local adoption of a comprehensive watershed management plan (One Watershed, One Plan) in future competitive grant awards.
 - b. BWSR will require adoption of a comprehensive watershed management plan (One Watershed, One Plan) by 2027 to be eligible for future competitive grant awards through BWSR, except for within the Metropolitan Area.

a. Planning Grants

The One Watershed, One Plan program was initiated in 2014 through development of a pilot program and participation of local governments in five planning boundaries. These five pilot areas tested the initial program requirements, and changes were made based on their experiences and feedback. The funding for this effort was appropriated in the 2014/2015 biennium. The 2015 legislature appropriated an additional \$4.2 million in the 2016/2017 biennium for “assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach” (Session Laws 2015, 1st Special Session, Chapter 2, Article 2, Sec. 7). These funds will be used to continue to support the program and provide planning grants to additional areas. BWSR’s plan is to continue to request funding for these purposes throughout the transition period in order to meet the legislative goal of statewide coverage by 2025. If funding is not maintained, BWSR will emphasize other incentives for transition, the pace of progress may slow, and the state may not meet the 2025 goal.

Specific procedures and criteria for accessing planning funds will be developed outside this transition plan; however, BWSR will consider the factors and priorities discussed in Section IV. Initiating Plan Development in delivery of future planning grants.

b. Implementation Funds

One of the recommendations from the Local Government Water Roundtable Policy Paper discussed in the Introduction is to develop a cost-effective and equitable method for distribution of all state water management funds on a statewide basis as a foundation for implementing local priorities. The recommendation goes on to offer principles to guide development of a new framework for the allocation of state financial resources with the

intent that this framework will further the transition to comprehensive watershed management plans statewide and subsequently enhance the local capacity to implement. The recommendation includes the following principles:

- Locally identified priorities developed in participation with local, regional, state, and federal authorities should be the basis for funding. Additionally, state level activities should be guided by local needs (i.e. guidance manuals, research, education) to support local implementation.
- The funding mechanism should allow streamlined administration to maximize efficiency, minimize redundancy, and prevent duplication of efforts. However, oversight and accountability measures must also be implemented to assure public funds are being wisely used for water quality improvement.
- Local governments must contribute cash or in-kind match in order to be eligible to receive state funding.

The Roundtable's recommendations also included a formula for distribution of state water funds to local governments of fifteen percent for core watershed services, seventy percent for implementation of watershed based plans, and fifteen percent for competitive projects and programs. While the recommended formula may or may not be specifically achieved, the principles above are consistent with BWSR's direction for the overall One Watershed, One Plan program.

In addition, BWSR will use the authority under Minnesota Statutes §103B.3369, subdivision 9, to support development and/or implementation of a comprehensive watershed management plan under this section. The performance based criteria outlined in this statute may include, but are not limited to, "science-based assessments, organizational capacity, priority resource issues, community outreach and support, partnership potential, potential for multiple benefits, and program and project delivery efficiency and effectiveness." These criteria are consistent with the direction of the One Watershed, One Plan program. Additionally, as noted in the Introduction, all counties, SWCDs, and watershed districts are required to have a current plan to be eligible for state funding. BWSR will consider methods within these authorities to encourage transition to comprehensive watershed management planning (One Watershed, One Plan) and implementation, to be developed and adopted through individual grant policies.

Implementing change in the distribution of state funds requires both changes to state programs and procedures on the distribution end, and to local governments on the receiving end. A key consideration in any change must also include ensuring those transitioning later are not disadvantaged in regards to future funding. This Transition Plan recommends ongoing discussions regarding distribution of state funds and the recommendations of the Local Government Water Roundtable; however, specific or detailed strategies were not developed within the context of this Transition Plan.

2. Non-funding Incentives for Transition

Consistent with the State's Watershed Management Policy found in Minnesota Statutes §103A.212 and the Local Government Water Roundtable Policy Paper, BWSR finds it is in the public interest to manage groundwater and surface water resources from the perspective of aquifers, watersheds, and river basins to achieve protection, preservation, enhancement, and restoration of the state's valuable groundwater and surface water resources.

Not all incentives for transitioning to statewide comprehensive watershed management require direct financial contributions. Additionally, incentives that streamline processes may also have an indirect financial benefit through more efficient use of staff time.

BWSR will encourage transition to comprehensive watershed management planning (One Watershed, One Plan) through non-funding incentives by:

1. Streamlining current plan extension and amendment requirements within existing authorities.
2. Developing and implementing training, concentrated in the initial five years of the transition period, specifically covering skills needed to transition.
3. Committing staff resources.
4. Supporting models and tools for use by local governments to prioritize resource challenges and risks, and target implementation to produce measurable results that maximize the value of each dollar spent on watershed protection.

In the longer-term, local governments implementing comprehensive watershed management plans (One Watershed, One Plan) will see benefits such as minimization of capital costs as the result of coordinated approaches to resource challenges that cross political boundaries (e.g., flooding), decreased time and resources for retroactive coordination, and other potential efficiencies from coordinated planning.

a. Planning Incentives

By 2020, nearly every county in the state has the potential to be touched by a comprehensive watershed management plan. And if this Transition Plan is successful, the transition to comprehensive watershed management should be complete by 2025. The period in between will be difficult without additional incentives for managing and maintaining the coverage of traditional local water plans until the new comprehensive watershed management plans are in place and the planning efficiencies discussed in the section above are fully achieved.

To assist in and streamline the transition, the BWSR Board will use its authorities to “grant extensions with or without conditions of the revision date of a comprehensive local water management plan or a comprehensive watershed management plan” (Minnesota Statutes §103B.3367), keeping in mind that “extensions that substantially delay implementation of the requirements of local water plans will not be allowed” (BWSR Board Plan Extension and Amendment Policy, March 2016). Considering the variability of plan expiration and scheduled WRAPS completion dates discussed in Section IV, Initiating Plan Development, any policies for providing extensions will be flexible. However, the BWSR Board may require amendments to extended plans if new and relevant information is available that will positively impact implementation, and may consider regional extensions, such as to all local government units participating in a comprehensive watershed management planning (One Watershed, One Plan) effort. Options and opportunities for synchronizing planning efforts will continue to be discussed throughout the transition.

b. Training and Education

A primary lesson learned in the pilot One Watershed, One Plan effort is the need for additional training and education for local government staff to prepare for the transition. Some of the topic areas for training include partnership development, co-leadership, change management, team development, basic facilitation, and other soft skills. Increasing knowledge and understanding of these skills will benefit the development of the required Memorandum of Agreement between planning partners, participation in the development of the comprehensive watershed management plan, and future implementation across the watershed. To address this need, BWSR is developing a training series specifically covering these skills for participants in future planning areas. With 61 planning boundaries outside the Metropolitan Area, BWSR anticipates trainings could be offered and completed statewide within the first 3-4 years of the program at which time training needs for the One Watershed, One Plan program can be reassessed.



The Lake Superior North pilot project team evaluates boundaries at a planning meeting.

c. Agency Staffing

As the agency with oversight of local water planning and comprehensive watershed management, a portion of the appropriations available support BWSR staffing of the program. Staffing is implemented through:

- A permanent Water Plan and Policy coordinator position to provide statewide support and consistency.
- Increased training capacity, either through contract or a temporary unclassified position, specific to building necessary skills identified in the previous section. A contract or temporary position is recommended as this need is seen as highest in the first 2-4 years of the program.
- Additional two positions in the Clean Water Specialist classification so that all staff in this classification can provide focused technical support to the planning efforts and assistance with appropriate use of available models and tools to ensure prioritized and targeted plans capable of producing measurable results.
- Additional training for staff in the Board Conservationist position. These positions have a traditional role in planning oversight and administration which is not anticipated to change with One Watershed, One Plan. However, training in skills similar to those identified as needed for local government staff in the previous section is needed as is recognition of the potential for increased workload through the transition.

Support from the other agencies as identified in the Water Management Framework (Framework) is also critical to successful development and implementation of comprehensive watershed management plans. See Appendix A for the Framework which outlines the roles and responsibilities of these agencies.

d. Local Staffing

The time commitment involved for local government staff in development of a comprehensive watershed management plan is significant. This high level of commitment may drop slightly from the pilot projects to the initial planning efforts for the program; however, any substantial decreases in time commitment for plan development are unlikely until the first round of comprehensive watershed management plan updates in about 2025. BWSR intends to



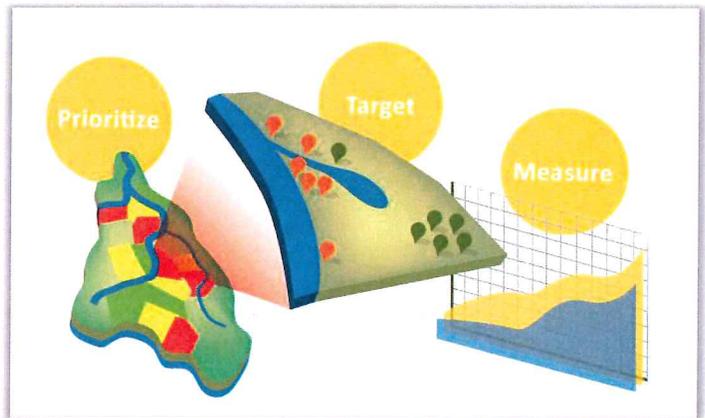
Agency staff and local staff work in partnership.

maintain no requirement for matching the planning grants as long as is feasible in consideration of this commitment. Through the pilot efforts, in kind local staff time has been calculated to be meeting or exceeding the typical 25% match requirements for grants.

Additionally, ongoing support of local staff to continue to provide coordinated leadership in plan implementation will be critical to successful implementation. This need is supported by discussions in the pilot watersheds and similar learnings of the U.S. Environmental Protection Agency outlined in the document *Top Ten Watershed Lessons Learned* (<http://cfpub.epa.gov/watertrain/pdf/tenlessonslearned.pdf>). In particular, Watershed Lesson 3 in this document identifies the importance of having a coordinator at the watershed level to provide “a focal point for the watershed effort and helps ensure that someone is paying attention to moving group activities along.”

e. Resources for Prioritizing, Targeting, and Measuring

The vision of One Watershed, One Plan is to align local water planning on major watershed boundaries with state strategies towards prioritized, targeted and measurable implementation plans. The planning process will integrate the elements of locally developed watershed plans, resource inventories and capital improvements programs with models and tools capable of prioritizing water bodies or natural resources, and the potential risks impacting that water body or natural resource. Some models are



also capable of targeting, which takes a closer look at agreed-upon priority resources and issues, and identifies specific actions, locations, and management practices for addressing the issues. Models and tools are also capable of projecting outcomes of specific actions, locations, and management practices to forecast measurable results.

Models and tools can prioritize, target, and measure at several different watershed scales. For the purposes of this Transition Plan, scales will be defined as (from smallest to largest): site, subwatershed, major watershed, and basin. While some models or tools may broadly prioritize at a major watershed scale to rank activities in one subwatershed over another, other models or tools may target down to a site-specific locations for identifying on-the-ground implementation practices. For ease of planning and for statewide consistency, BWSR is supporting the use of Zonation and the Prioritization, Targeting, and Measuring Water Quality Improvement Application (PTMApp) for identification of implementation activities which can be prioritized, targeted, and measured. These tools are in addition to HSPF model and HSPF-SAM tool supported by Minnesota Pollution Control Agency in the TMDL and WRAPS processes.

Zonation provides the framework for large-scale spatial conservation planning by identifying priority areas based on habitat quality, connectivity, and biological value of sites. Features such as biology, hydrology, water quality, geomorphology, and connectivity can be used in the model. Each feature can be weighted in the model to reflect stakeholder values. The resulting hierarchical list can then be outputted to GIS for further analysis. From here, sites can be prioritized for restoration or protection.

The PTMApp uses water quality related products derived from high resolution topographic data collected using LiDAR technology to inform the prioritization of resource concerns and target specific fields for the implementation of nonpoint source best management practices (BMPs) and conservation practices (CPs). The PTMApp will also "measure" the effectiveness of BMPs and CPs by cost and expected load reduction benefits at the resource of concern within the watershed. This application is also capable of incorporating model results from the statewide expansion of HSPF.

The HSPF Scenario Application Manager (HSPF-SAM), supported by MPCA, is a watershed scale tool that consists of GIS for subwatershed selection, HSPF to simulate the transport and fate of pollutants, and a BMP database. The

tool will assist in developing custom implementation plans by combining individual and/or suites of BMPs that are simulated and applying reduction efficiencies to the appropriate source loads represented in the HSPF model. The tool also includes a cost-effective optimization and water quality component.

While the use of Zonation, PTMApp, or HSPF-SAM is not required by BWSR in development of comprehensive watershed management plans, these are the models and tools developed by and/or supported at the state level. Other models may be used as long as they can achieve the same results for prioritization, targeted implementation, and measureable results as the state-supported models and tools. Ultimately, no matter which tools are used in the planning process, the goal is to pair up local, state, and federal priorities and to maximize the value of each dollar spent on ecosystem protection, restoration, and enhancement.

f. Future Water Management Governance

A guiding principle of One Watershed, One Plan is that “One Watershed, One Plan implementation will be accomplished through formal agreements among participating local governments on how to manage and operate the watershed.” Formal agreement in this context refers to the participating partners and processes these partners will use to write and implement a watershed-based plan, and is not intended to address or mandate consolidation or change existing authorities of local governments. The purpose of this principle is to provide assurances that decision-making spanning political boundaries is supported by an in-writing commitment from participants. This Transition Plan remains consistent with this principle.

The One Watershed, One Plan pilot areas all used a Memorandum of Agreement (MOA) between the planning partners that was sufficient for the purposes of developing the plan. However, new formal agreements will be needed for plan implementation, the format and details of which will vary by the goals of the participants with recommended overarching goals of maximizing efficiency, minimizing redundancy, preventing duplication of efforts, and clearly outlining the intent and responsibilities of the participants. At the writing of this Transition Plan, the pilot areas had not concluded discussions on agreements for plan implementation, though continuation of the MOA and establishment of a joint powers agreement or joint powers entity were all part of the discussion. The format of future agreements should be developed in consultation with legal counsel of the participants with the consideration that a joint powers agreement is recommended if the intent of is for the participants to apply for and receive state funds directly for implementation.

g. Long-Term Benefits

From a statewide perspective, moving from current, jurisdictionally-based local water plans to watershed-based local water plans will reduce the number of plans across the state. Outside of the seven county metro this means a reduction of jurisdictionally-based and overlapping local water plans to about half as many comprehensive watershed management plans. These reductions will be greatest in the areas of the state with both watershed district plans and overlapping county water plans. At a state level, the reduced number of plans and planning programs allows state staff to focus assistance on the content and goals of plans and reduces administrative time spent moving plans through procedures and approval processes. Additionally, the shift to comprehensive watershed management plans is consistent with the Water Management Framework adopted by state agencies (see Appendix A), which recognizes the efficiencies of managing water on a watershed basis.

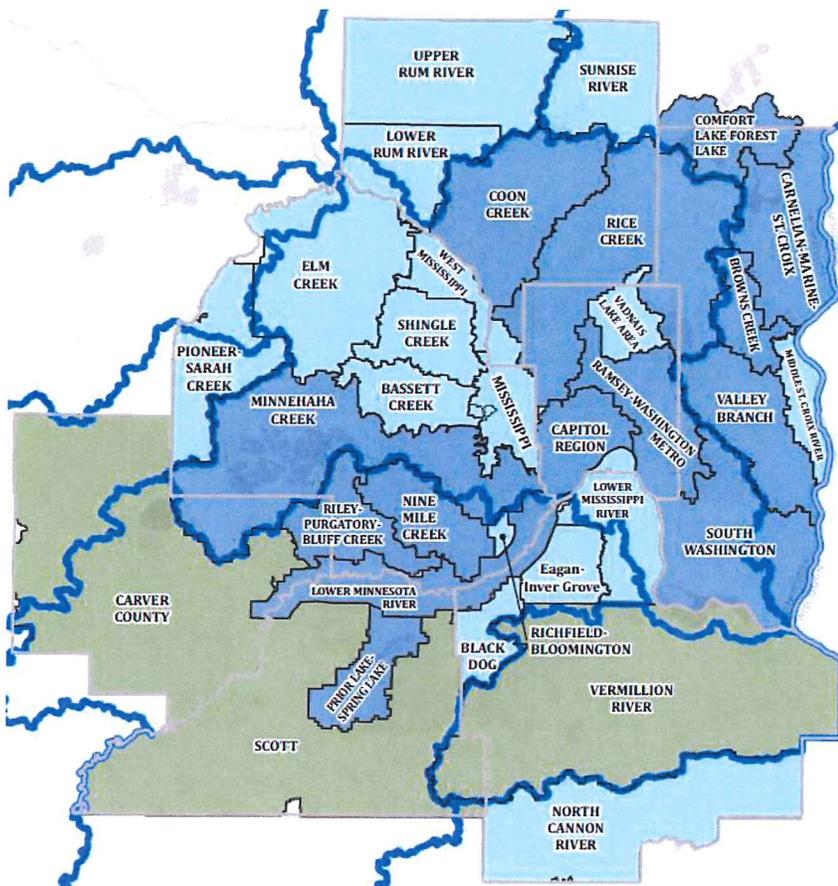
From a local perspective, the larger statewide efficiencies are more challenging to see. For many counties and SWCDs, efficiencies gained statewide have the potential to create both perceived and real inefficiencies locally. However, comparison between the status quo of existing local water management and the new paradigm of watershed-based management is not an equal or even comparison. Expectations for water management are increasing. And, the new paradigm recognizes the potential benefits with managing water quality and quantity issues with prior watershed planning and coordination across jurisdictional lines. Locally, increased time spent proactively on multiple watershed plans within a county may be offset by future decreased time spent coordinating retroactively when water quantity or quality issues are realized.

Watershed districts may more readily see the advantages of comprehensive watershed management planning (One Watershed, One Plan). Many watershed districts already span more than one county and have a history of coordinating across jurisdictions. The degree of potential change for a watershed district is less, considering its purposes. Regardless, developing a plan with multiple entities will inherently feel more inefficient to the individual entity. Local governments are encouraged to think broadly of the values of fewer water planning efforts overall within the state.

VI. One Watershed, One Plan and the Metropolitan Surface Water Management Act

Just as with the rest of the state, the seven-county Twin Cities Metropolitan Area (Metro) has a significant amount of diversity in resources and capacity. In addition, the Metropolitan Surface Water Management Act, in Minnesota Statutes §103B.201 to 103B.255 and Minnesota Rules, Chapter 8410, has provided the requirements for watershed management in the Metro since 1982. These requirements are unique to the area and more stringent than One Watershed, One Plan. Specifically, in Minnesota Statutes §103B.235, Subdivision 1, requires that local government units “having land use planning and regulatory responsibility for territory within the watershed shall prepare or cause to be prepared a local water management plan, capital improvement program, and official controls as necessary to bring local water management into conformance with the watershed plan.” Local water management in this case is connected to the comprehensive plan requirements contained in Minnesota Statutes Chapter 473, Metropolitan Government. Additionally, watershed management plans are required across the Metro.

Figure VI.1: Metro Watershed Organizations and One Watershed, One Plan Boundaries



Two One Watershed, One Plan planning boundaries are completely contained in the Metro: the Mississippi River (Twin Cities) and the portion of the Mississippi River (Lake Pepin) that is within the Metro (this major watershed is in two pieces, bisected by the Cannon River).

The Mississippi River (Twin Cities) planning boundary is consistent with the major watershed and fully within the Metro. This planning boundary includes all or portions of five Watershed Districts and nine Watershed Management Organizations (WMOs), and most of the Twin Cities urban core. This major watershed is considered

administrative in nature as it is bisected by the Mississippi River. Due to the history of watershed planning in, and complexity of the area, no specific changes to planning efforts are recommended.

The portion of the Mississippi River (Lake Pepin) planning boundary in the Metro aligns with an existing Joint Powers Agreement between Scott and Dakota Counties that forms the Vermillion River Joint Powers Organization (JPO). The hydrologic boundary of the Vermillion River does include a small portion of Goodhue County. The JPO and Goodhue County have communicated about this area in the past. One Watershed, One Plan may be a method to further these communications and coordinate management of the area.

The Metro also includes portions of six planning boundaries that span or originate outside the Metro. These include:

- The Rum River which originates in Lake Mille Lacs and flows through two WMOs in Anoka County before entering the Mississippi River.
- The North Fork Crow River which originates in Pope County and is a One Watershed, One Plan pilot area. The two WMOs within the metro portion of this planning boundary declined to participate in the pilot; however, Hennepin County has been actively involved.
- The South Fork Crow River which originates in Kandiyohi County and includes portions of two WMOs; one in Hennepin County and about one third of the Carver County WMO.
- The Minnesota River (Shakopee) which includes four watershed districts in Carver, Scott, Hennepin and Dakota counties, two WMOs in Dakota County, a portion of the Carver County WMO, and all of the Scott County WMO. This planning boundary is smaller than the major watershed and is administrative in nature as it is bisected by the Minnesota River.
- The Cannon River which includes parts of Goodhue, Le Sueur, Rice, Steele, and Waseca counties outside the Metro and one WMO in Dakota County within the Metro.
- The Lower St. Croix which includes a series of parallel drainages directly to the St. Croix River from Pine County in the north through Washington County in the south. The area includes five watershed districts and two WMOs.

Watershed management plans approved under the Metropolitan Surface Water Management Act exceed the minimum plan content standards for One Watershed, One Plan and cover the entire Metro. However, these Metro plans do not include formal agreement between the local water planning authorities when developed and; therefore, cannot substitute or replace a Metro county groundwater plan authorized under §103B.255 or a SWCD comprehensive plan under Minnesota statutes §103C.331, Subd. 11. Due to the number of local water planning authorities and the integration with city and township comprehensive planning in the Metro, any future implementation of One Watershed, One Plan is recommended to be considered on a planning boundary by planning boundary basis (see Figure II.1 on page 9). Collaboration and sharing of services across the seven county Metro line is encouraged as well as continued collaboration between the counties, SWCDs, cities, and townships within the Metro.

The most significant question remaining for the Metro is how future state funds could be equitably and more efficiently distributed, both for planning and implementation. This question will continue to be explored through ongoing discussions regarding distribution of state funds and the recommendations of the Local Government Water Roundtable. Specific or detailed strategies were not developed within the context of this Transition Plan.

VII. Appendix A - Definitions and Acronyms

Definitions

Local water plan update. Means the revision of a local water plan in whole to replace a plan that has expired (see plan expiration)

Plan approval. Means the date a local water plan was approved by BWSR.

Plan expiration. Local water plans are considered expired when: a watershed management plan required under §103D.401 or 103D.405 is more than 11 years 3 months beyond the BWSR approval date; a county water plan authorized under Minnesota statutes §103B.311 is more than 10 years beyond the BWSR approval date unless properly extended; a watershed management plan required under §103B.231 is more than 10 years beyond the BWSR plan approval date unless the plan states a lesser period of time; a county groundwater plan authorized under §103B.255 is more than 10 years beyond the BWSR approval date; and a soil and water conservation district comprehensive plan is more than 5 years beyond the BWSR approval date.

Local plan authority. For purposes of this policy, a local plan authority means: a county, soil and water conservation district, or watershed organization with authority to write and implement a local plan. County local water planning may be delegated with restrictions as per Minnesota statutes §103B.311.

Local Water Management Plan. For purposes of this policy, "local water management plan" means a plan prepared by local government units having land use planning and regulatory responsibility for territory within the watershed prepared under Minnesota statutes §103B.235.

Local water plan. For purposes of this policy, "local water plan" or "water plan" means: a county water plan authorized under Minnesota statutes §103B.311, a watershed management plan required under §103B.231, a watershed management plan required under §103D.401 or 103D.405, a county groundwater plan authorized under §103B.255, or a soil and water conservation district "comprehensive plan" under Minnesota statutes §103C.331, Subd. 11.

Major Watershed. A watershed contains all the land and water features that drain excess surface water to a specific location on the landscape. A major watershed is a cataloging unit used to classify regions into successively smaller hydrologic units. In Minnesota, there are 81 major watersheds. In many cases, these major watersheds are not a "true" watersheds but rather a delineated boundary within a larger watershed.

Metropolitan Council. "Metropolitan Council" means the Metropolitan Council created by Minnesota Statutes, section 473.123.

Plan review agencies. "Plan review agencies" means the Department of Agriculture, the Department of Health, the Department of Natural Resources, the Pollution Control Agency and the Board of Water and Soil Resources; and the Metropolitan Council if substituting for or replacing a plan under MN Statutes §103B.231.

Plan review authorities. "Plan review authorities" means the Department of Agriculture, the Department of Health, the Department of Natural Resources, the Pollution Control Agency, the Board of Water and Soil Resources, and counties, cities, towns, and soil and water conservation districts partially or wholly within the watershed; and the Metropolitan Council if substituting for or replacing a plan under MN Statutes §103B.231.

Acronyms

BWSR	Board of Water and Soil Resources
GIS	Geographic Information System
HSPF	Hydrological Simulation Program--Fortran
HSPF SAM	Hydrological Simulation Program--Fortran Scenario Application Manager
JPO	Joint Powers Organization
NPFP	Nonpoint Priority Funding Plan
PTMApp	Prioritization, Targeting, and Measuring Water Quality Improvement Application
SWCD	Soil and Water Conservation District

TMDL Total Maximum Daily Load
WRAPS Watershed Restoration and Protection Strategies
WMO Watershed Management Organization

VIII. Appendix B – Watershed Management Framework

October 15, 2014

The Minnesota Water Management Framework

A high-level, multi-agency, collaborative perspective on managing Minnesota's water resources



The passage of the Clean Water, Land, and Legacy Amendment is a **game-changer** for water resource management in Minnesota. Increased funding and public expectations have driven the need for **more and better coordination** among the state's main water management agencies.

The MN Water Quality Framework and the companion MN Groundwater Management Framework were developed by the agencies to enhance collaboration and clarify roles in an integrated water governance structure, so that it's **clear to everyone who is responsible** at each stage in the process, making it **easier and more efficient** for state and local partners to work together.

Goals: cleaner water via comprehensive watershed management; ensure that groundwater is protected and managed sustainably.

The red arrow emphasizes the important connection between state water programs and local water management. Local partners are involved - and often lead - in each stage in this framework.



Building on a classic "plan - do - check" adaptive management approach, the framework uses 5 "boxes" to outline the steps Minnesota's agencies are taking toward our goals of clean and sustainable water. The agencies aim to streamline water management by systematically and predictably delivering data, research, and analysis and empowering local action.

Ongoing Local Implementation is at the heart of the state's overall strategy for clean water. Actions must be prioritized, targeted, and measurable in order to ensure limited resources are spent where they are needed most. The rest of the cycle supports effective implementation.

Monitoring and Assessment determines the condition of the state's ground and surface waters and informs future implementation actions. The state's "watershed approach" systematically assesses the condition of lakes and streams on a 10-year cycle. Groundwater monitoring and assessment is more varied in space and time.

Water Resource Characterization and Problem Investigation delves into the science to analyze and synthesize data so that key interactions, stressors, and threats are understood. In this step, watershed and groundwater models and maps are developed to help inform strategies.

Watershed Restoration and Protection Strategies (WRAPS) and Groundwater Restoration and Protection Strategies (GRAPS) include the development of strategies and high level plans, "packaged" at the 8-digit HUC scale (81 major watersheds in Minnesota). These strategies identify priorities in each major watershed and inform local planning.

The **Comprehensive Watershed Management Plan** is where information comes together in a local commitment for prioritized, targeted, and measurable action. Local priorities and knowledge are used to refine the broad-scale WRAPS and other assessments into locally based strategies for clean and sustainable water.

MN Department of Natural Resources • MN Department of Health • MN Pollution Control Agency • MN Board of Water and Soil Resources
 MN Department of Agriculture • MN Public Facilities Authority • Metropolitan Council

	Ongoing Implementation	Monitoring and Assessment	Watershed Characterization & Problem Investigation	Restoration and Protection Strategy Development	Comprehensive Watershed Management Plan
	Funding and technical assistance for locally implemented watershed restoration and protection projects	Monitor progress of local implementation goals	Conservation targeting tools (e.g., Environmental Benefits Index) BMP guidance (e.g., drainage water management)	Participate on interagency watershed teams developing WRAPS (with all agencies)	Comprehensive Watershed Management Planning (One Watershed, One Plan) Local water and watershed plans
	Appropriations and Public Waters Permitting Shoreland and floodplain management Technical assistance for projects	Stream flow Fish and plants (lakes) Mercury in fish tissue Aquifer levels (with Met Council)	Stream hydrology and geomorphology (support MPCA) Small scale watershed modeling and groundwater level modeling County Geologic Atlas	Advise on conservation actions based on holistic view of watershed health (hydrology, geomorphology, connectivity, biology, water quality)	Input on local conservation actions informed by statewide plans for prairies, forests, etc. Water supply planning and groundwater management areas (with Met Council)
	Funding for source water protection, contaminants of emerging concern Well sealing cost share	Source water and finished drinking water Bacteria monitoring on Lake Superior beaches	Guidance for contaminants of emerging concern Data analysis and modeling to support WHPA delineation and vulnerability assessments for public water supplies	Source water protection planning (identification of problems, issues, and opportunities) Well construction management	Guidance for infiltration in DWSMAs Source water protection planning (local measures and strategies)
	Loans and grants for water infrastructure projects based on priorities set by MDH and PCA				
	NPDES permit programs, SSTS compliance Grants for Clean Water Partnership, Great Lakes Restoration, stormwater and wastewater treatment (PFA)	Water chemistry (surface and groundwater) Fish and macroinvertebrates (streams) Surface water assessment grants	Stressor Identification for biological impairments Watershed Modeling (8-HUC) TMDLs Civic engagement	Stakeholder agreement on broad watershed restoration and protection strategies (WRAPS) WRAPS report – includes Implementation table TMDLs to EPA	Provide WRAPS for incorporation into local plans Input on management strategies informed by statewide nutrient plan
	Ag BMP loans MN Agricultural Water Quality Certification Program Implement Pesticide and Nitrogen Fertilizer Management Plans	Pesticides in surface and groundwater Nitrate in groundwater	Research/evaluation on ag sources, practices and solutions Technical assistance on ag sources and practices, BMP demonstration/evaluation sites Stressor ID for pesticides	Ag practices and management options, nitrogen fertilizer and pesticide use Participate on interagency teams developing WRAPS Vegetative cover	Input on management strategies informed by pesticide and nitrogen fertilizer management plans
	Technical assistance and demonstration projects	Lake, stream, river monitoring: flow, chemistry, biology Effluent monitoring (WWTPs) Impervious surface and land cover assessments	Modeling and trend assessments (surface water) Pollutant load calculations Groundwater mapping and characterization	Participate in WRAPS and local water planning teams Master water supply plan Groundwater management areas (with DNR)	Participate in review of local water and watershed plans (metro area); local water supply plans; and comprehensive land use plans (metro area)

IX. Appendix C – Watershed Assessment Tool

The One Watershed, One Plan Watershed Assessment Tool was produced from the hydrologic unit code (HUC) 8 and HUC 10 Prioritization Models created as part of the University of Minnesota Sentinel Watersheds Project (2013). The tool was updated using the most current versions of publicly available GIS data layers. The sub-basins and major watershed boundaries were adjusted to correspond to the boundaries determined by the One Watershed, One Plan Suggested Boundary Map. Standardization scores were adjusted to produce a range of acceptable, similar variances within the attribute scores (variance > 0.08 but < 0.12). For more detailed information on the model methodology, refer to the MDA Final Report on the Assessment and Selection of Sentinel Watersheds (Krider et al., 2013) available at <http://water-research-library.mda.state.mn.us/pages/application/filedownload.xhtml?recId=122825>.

Attributes used for each basin include:

Red River Basin

- Average Slope
 - Units: average slope (degrees) per watershed
 - Source: Minnesota Geospatial Data Gateway
- Drained Lands
 - Units: percent drained agricultural lands according to the land capability classification
 - Source: Jaynes and James, USDA
- Biologically Significant Areas
 - Units: percent of high/outstanding biologically significant area per watershed
 - Source: MNDNR
- Hydrologic Soil Group A/D
 - Units: percent area (sq mi/sq mi) of hydrologic soil group A/D per watershed
 - Source: NRCS SSURGO
- Q:P Ratio
 - Units: mean runoff to precipitation ratio per watershed, techniques adapted from Vandegrift & Stefan (2010) (54)
 - Sources: Lucas Stolp (UMN) and Chris Lenhart (UMN); most Q:P ratios were calculated using USGS gauging station average annual discharge (ft³) for 1986 – 2005 and area-averaged annual precipitation (inches) for 1971 – 2000 from the USDA

Rainy River and Arrowhead (Great Lakes) Basins

- Agricultural and Timber Value
 - Units: total land value for agricultural (2a) and timber lands (2b and 2c) per watershed
 - Source: Minnesota Land Economics
- Soil Erosion Risk
 - Units: mean risk score per watershed
 - Source: BWSR; based on the combination of climate, soil type, cover factor, and slope to produce a Universal Soil Loss Equation (USLE)
- Wildlife Habitat Quality Risk
 - Units: mean risk score per watershed
 - Source: BWSR; based on sites of biodiversity significance, terrestrial vertebrate models, species of greatest conservation need, potential bird habitat, wildland-urban interface habitat by protection level, CRP lands, road density, housing density
- Water Quality Risk
 - Units: mean risk score per watershed
 - Source: BWSR; Based on stream power index and proximity to water
- Impaired Streams and Lakes (inverse used for this basin)

- Units: number of different types of impairing stream or lake pollutants per watershed
- Source: MPCA

Upper Mississippi River Basin

- Population
 - Units: mean population estimate for 2030 per sq mi per watershed
 - Source: SILVIS, University of Wisconsin
- Drinking Water Supply Vulnerability Management Areas
 - Units: percent high/very high drinking water vulnerability areas per watershed
 - Source: MDH
- Landuse Change, Natural Areas to Cultivated Crops
 - Units: percent area (sq mi/sq mi) of grassland, shrub, and forest to cultivated crop per watershed
 - Source: Multi-Resolution Land Characteristics Consortium
- Landuse Change, Open/Low Development to High Development:
 - Units: percent area (sq mi/sq mi) of open/low development to high development per watershed
 - Source: Multi-Resolution Land Characteristics Consortium
- Wellhead Protection
 - Units: percent area (acres/acres) of watershed in a wellhead protection area
 - Source: MDH
- Impaired Streams
 - Units: Length (mi) of 303d and TMDL streams per sq mi per watershed, inverse used in this basin
 - Source: MPCA
- Impaired Lakes
 - Units: Percent area (sq mi/sq mi) of 303d and TMDL lake area per watershed, inverse used for this basin
 - Source: MPCA

St. Croix Basin

- Water Quality Risk
 - Units: mean risk score per watershed
 - Source: BWSR; based on stream power index and proximity to water
- Wildlife Habitat Quality Risk:
 - Units: mean risk score per watershed
 - Source: BWSR; based on sites of biodiversity significance, terrestrial vertebrate models, species of greatest conservation need, potential bird habitat, wildland-urban interface habitat by protection level, CRP lands, road density, housing density
- Landuse Change, Natural Areas to Cultivated Crops
 - Units: percent area (sq mi/sq mi) of grassland, shrub, and forest to cultivated crop per watershed
 - Source: Multi-Resolution Land Characteristics Consortium
- Landuse Change, Open/Low Development to High Development:
 - Units: percent area (sq mi/sq mi) of open/low development to high development per watershed
 - Source: Multi-Resolution Land Characteristics Consortium
- Biologically Significant Areas:
 - Units: percent of high/outstanding biologically significant area per watershed
 - Source: MN DNR
- Row Crop
 - Units: percent area (sq mi/sq mi) of corn and soybean per watershed
 - Source: USDA (Croplands Data Layer, 2010)

Minnesota River Basin

- Drained Lands
 - Units: percent drained agricultural lands according to the land capability classification;
 - Source: Jaynes and James, USDA
- Nitrogen Yield
 - Units: incremental nitrogen or phosphorus yield delivered to the Gulf of Mexico (load per acre per watershed)
 - Source: SPARROW, Nitrogen and Phosphorus Pollution Data Access Tool, EPA (2002)
- Soil Erosion Risk
 - Units: mean risk score per watershed
 - Source: BWSR; based on the combination of climate, soil type, cover factor, and slope to produce a Universal Soil Loss Equation (USLE)
- Row Crop
 - Units: percent area (sq mi/sq mi) of corn and soybean per watershed
 - Source: USDA (Croplands Data Layer, 2010)
- Drinking Water
 - Units: length (mi) of 1B & 1C streams per sq mi per watershed
 - Source: MN DNR

Southeast Minnesota, including the Lower Mississippi River Basin and the Cedar, Shell Rock, and Winnebago watersheds

- Soil Erosion Risk
 - Units: mean risk score per watershed
 - Source: BWSR; based on the combination of climate, soil type, cover factor, and slope to produce a Universal Soil Loss Equation (USLE)
- Wildlife Habitat Quality Risk:
 - Units: mean risk score per watershed
 - Source: BWSR; based on sites of biodiversity significance, terrestrial vertebrate models, species of greatest conservation need, potential bird habitat, wildland-urban interface habitat by protection level, CRP lands, road density, housing density
- Row Crop
 - Units : percent area (sq mi/sq mi) of corn and soybean per watershed
 - Source: USDA (Croplands Data Layer, 2010)
- Drinking Water
 - Units: length (mi) of 1B & 1C streams per sq mi per watershed
 - Source: MN DNR
- Population Density Estimate
 - Units: mean population estimate for 2030 per sq mi per watershed
 - Source: SILVIS, University of Wisconsin

Southwest Minnesota, including the Iowa and Missouri watersheds

- Soil Erosion Risk
 - Units: mean risk score per watershed
 - Source: BWSR; based on the combination of climate, soil type, cover factor, and slope to produce a Universal Soil Loss Equation (USLE)
- Drained Lands
 - Units: percent drained agricultural lands according to the land capability classification
 - Source: Jaynes and James, USDA
- Row Crop
 - Units: percent area (sq mi/sq mi) of corn and soybean per watershed
 - Source: USDA (Croplands Data Layer, 2010)

- Wellhead Protection
 - Units: percent area (acres/acres) of watershed in a wellhead protection area
 - Source: MDH



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Local Water Plan Extensions and Amendment Policy

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: statewide

Contact: Melissa Lewis

Prepared by: Melissa Lewis

Reviewed by: Water Management and Strategic Planning Committee(s)

Presented by: Melissa Lewis

Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: Resolution Order Map Other Supporting Information

Fiscal/Policy Impact

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

ACTION REQUESTED

Adoption of the revised Local Water Plan Extension and Amendment Policy.

LINKS TO ADDITIONAL INFORMATION

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

The original Local Water Plan Extension Policy was adopted by the BWSR Board on December 17, 2014 and revised on March 23, 2016. The purposes of the policy are to facilitate the transition to *One Watershed, One Plan* and allow for effective participation in and use of WRAPS, while maintaining eligibility in applying for and receiving grants. The 2016 revision provided authorization to the Executive Director to approve and sign extension requests; place conditions on extension approvals; to approve and sign local water management plan amendments to incorporate Minnesota Statutes §103F.48 summary of watercourses; to approve and sign amendments to local water plans required by Board order; and to approve and sign waivers to amendments required by Board order. Legislative action in the 2016 session removed the requirement to incorporate the summary of watercourses into water plans through plan amendment, thus the policy has been revised to remove reference to Minnesota Statutes §103F.48. These modifications were presented to the Water Management and Strategic Planning Committee on May 24, 2016, and the committee recommended adoption by the full Board at its June 22, 2016 meeting.



Board Resolution # 16-_____

Local Water Plan Extensions and Amendments Policy Approval

WHEREAS, Minnesota Statutes §103B.3367, provides that the Board may grant extensions with or without conditions of the revision date of a comprehensive local water management plan or a comprehensive watershed management plan; and

WHEREAS, the Board adopted resolution #14-76 Local Water Plan Extension Policy on December 17, 2014 for the purpose of facilitating the transition to One Watershed, One Plans, allowing for effective participation and use of the Minnesota Pollution Control Agency's Watershed Restoration and Protection Strategies, and maintaining eligibility of participating local government units in applying for and receiving grants; and

WHEREAS, the Board adopted resolution #16-18 Local Water Plan Extension Policy on March 3, 2016 for the purpose of authorizing the Executive Director to approve and sign extension requests; place conditions on extension approvals; to approve and sign local water management plan amendments to incorporate Minnesota Statutes §103F.48 summary of watercourses; to approve and sign amendments to local water plans required by Board order; and to approve and sign waivers to amendments required by Board order; and

WHEREAS revisions to Minnesota Statutes §103F.48 enacted in the 2016 legislative session allow for the summary of watercourses to be incorporated into a comprehensive local water management plan or a comprehensive watershed management plan through an addendum process rather than an amendment; and

WHEREAS, the Water Management and Strategic Planning Committee met on May 24, 2016 to review a revision to the Local Water Plan Extension and Amendments policy that removes reference to Minnesota Statutes §103F.48 and recommended its approval by the full Board; and

NOW THEREFORE BE IT RESOLVED, the Board hereby adopts the Local Water Plan Extensions and Amendments Policy dated June, 2016, and replaces Board Resolution #16-18; and

Brian Napstad, Chair
Board of Water and Soil Resources

Date: _____

Attachments:

Local Water Plan Extension and Amendment Policy, dated March 23, 2016.



Local Water Plan Extension and Amendment Policy

June 22, 2016

Purpose

The purpose of this policy is to provide direction to local water planning authorities regarding Minnesota Statutes §103B.3367 Water Plan Extensions. The primary goals of this policy are to: 1) facilitate the transition to One Watershed, One Plan by ensuring active participation by counties, soil and water conservation districts, and watershed districts in plan development; 2) allow for effective participation and use of the Minnesota Pollution Control Agency's Watershed Restoration and Protection Strategies (WRAPS); and 3) maintain eligibility of participating local government units in applying for and receiving grants under the Board's current and future grants policies.

1.0 Applicability

This policy is retroactive to extension and amendment requests received on or after January 1, 2016. This policy applies to counties, soil and water conservation districts, watershed districts, and watershed management organizations (organizations) that are operating under a local water plan. For purposes of this policy, "local water plan" means: a county water plan authorized under Minnesota statutes §103B.311, a watershed management plan required under §103B.231, a watershed management plan required under §103D.401 or §103D.405, a county groundwater plan authorized under §103B.255, a soil and water conservation district "comprehensive plan" under Minnesota statutes §103C.331, Subd. 11, or a comprehensive watershed management plan under §103B.801.

- A. Extensions of local water plans will be supported in one or more of the following circumstances:
 - i. In order for an organization to participate in and more effectively utilize the Minnesota Pollution Control Agency's watershed-based 10-year approach of monitoring, assessment, and development of WRAPS.
 - ii. In order to synchronize water management efforts between partners for the purposes of developing and completing comprehensive watershed management plans through the One Watershed, One Plan Program. Formal acknowledgement of intent to develop a comprehensive watershed management plan under §103B.801 in the form of a passed motion or resolution by the board of the water planning authority is required in this circumstance.
 - iii. All other purposes for requesting an extension will be considered on a case-by-case basis.
- B. Amendments of local water plans will be supported in one or more of the following circumstances:
 - i. As required by a BWSR Board order in association with an extension request.
 - ii. All other amendments will be considered on a case-by-case basis in consideration of the authorizing local water plan statute.

2.0 Extension Procedure

All requests for extensions to a local water plan must be initiated by petition to BWSR. Requests will be processed through the Board Conservationist, Regional BWSR Committee, and full BWSR Board; except for the following:

- A. Soil and Water Conservation District Comprehensive Plans. These requests will be processed through the Board Conservationist and approved by the Regional Manager; and

- B. Extension requests associated with WRAPS or transition to comprehensive watershed management planning consistent with Minnesota Statutes §103B.801. These requests will be processed through the Board Conservationist and Regional Manager with final approval delegated to the Executive Director.
 - i. For the purposes of transition, requests will be considered only when a motion or resolution committing to transitioning to comprehensive watershed management planning has been passed or adopted by the board and/or a comprehensive watershed management plan has been adopted for a portion of the organization's area.
 - ii. The Executive Director may condition the extension approval with a requirement for a subsequent amendment to address new data and information that may substantially change implementation of the local water plan. Extension requests will be processed within 60 days. Appeals of decisions on extension requests will be processed through the Regional Committee and full Board.

Where the SWCD has adopted the county plan by resolution and the county plan has been extended, the SWCD may continue to adopt the county water plan, as extended, by resolution.

Extensions that substantially delay implementation of the requirements of local water plans will not be allowed.

3.0 Amendment Procedure

Amendments to local water plans must follow the requirements of the authorizing local water plan statute and will be processed through the Board Conservationist, Regional BWSR Committee, and full BWSR Board; except for:

- A. Amendments to local water plans as required by BWSR Board order or condition of approval from the Executive Director, in association with an extension request, must follow the requirements of the authorizing statute [for public notice]. These amendments will be processed through the Board Conservationist and Regional Manager with final approval delegated to the Executive Director.
- B. Counties may request waivers to amendments required by BWSR Board Order approving the county water plan. These requests will be processed through the Board Conservationist and Regional Manager with final approval delegated to the Executive Director.
 - i. Decisions will be made based on the extent of implementation occurring, the availability or not of new data or information, or commitment to transitioning to comprehensive watershed management planning.

Amendment requests noted in the exceptions above will be processed within 60 days. Appeals on decisions will be processed through Regional Committees and the full Board.



BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: 2016 Nonpoint Priority Funding Plan

Meeting Date: June 22, 2016

Agenda Category: Committee Recommendation New Business Old Business

Item Type: Decision Discussion Information

Section/Region: Central Region

Contact: Marcey Westrick/Doug Thomas

Prepared by: Marcey Westrick

Water Management & Strategic

Reviewed by: Planning Committee(s)

Presented by: Marcey Westrick

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 Water Management and Strategic Planning Committee to accept the 2016 Nonpoint Priority Funding Plan and to direct staff to post to website by July 1, 2016.

LINKS TO ADDITIONAL INFORMATION

The 2016 Nonpoint Priority Funding Plan will be available for Board review on June 16.
http://www.bwsr.state.mn.us/boardpackets/2016/06-07-2016_Draft_NPFP_Update_for_review.pdf

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

The Nonpoint Priority Funding Plan (NPFP) is a criteria-based process to prioritize Clean Water Fund nonpoint implementation investments. It provides state agencies with a coordinated, transparent and adaptive method to ensure that Clean Water Fund implementation allocations are targeted to cost-effective actions with measurable water quality results. Version 1.0 of the NPFP was foundational and continues to provide guidance on how to prioritize nonpoint implementation actions at the State level through three high level State priorities and nine criteria.

With only one fiscal year of funding distributed thus far, the 2016 NPFP Update does not evaluate, reassess or change the three high level State priorities or the nine criteria already established. The primary focus of the 2016 NPFP is to:

- Provide specific examples on the progress made to date on how the NPFP is being used to guide and prioritize nonpoint implementation actions at the State level.
- Provide updated financial information from the FY18-19 biennial budget request.



Board Resolution # 16 -

2016 NONPOINT PRIORITY FUNDING PLAN FOR CLEAN WATER IMPLEMENTATION FUNDING

WHEREAS, in 2013 Minn. Stat. § 114D.50, Subd. 3(a) was enacted. This statute requires the Board of Water and Soil Resources (BWSR) to develop the Nonpoint Priority Funding Plan (NPPF) and post it on its website every two years beginning July 1, 2014. The NPPF is intended to “prioritize potential nonpoint restoration and protections actions” and state agencies allocating money from the Clean Water Fund for nonpoint restoration and protection strategies will be required to target the money according to the priorities identified in the NPPF; and

WHEREAS, the NPPF, accepted in June 2014 by BWSR, is a criteria-based process to prioritize Clean Water Fund investments. It provides state agencies with a coordinated, transparent and adaptive method to ensure that Clean Water Fund implementation allocations are targeted to cost-effective actions with measurable water quality results. The process also may help agencies identify gaps in programming to accelerate progress toward meeting water management goals; and

WHEREAS, the 2016 NPPF revision maintains the criteria-based process established in the 2014 NPPF and does not evaluate, reassess or change the three high level State priorities and the nine criteria previously established; and

WHEREAS, the 2016 NPPF provides information on:

- The progress made to date on how the NPPF is being used to guide and prioritize nonpoint implementation actions at the State level.
- Updated financial information from the FY 18-19 biennial budget request.
- Case studies to demonstrate how the Watershed Management Framework leads to prioritized, targeted implementation plans that are capable of achieving measurable results; and

WHEREAS, BWSR staff worked with state agency personnel on the 2016 NPPF, with specific assistance and guidance provided by members of the Interagency Coordination Team, and the Watershed Restoration and Protection Strategies/Implementation Team; and

WHEREAS, outreach efforts have been conducted with stakeholders including a public comment period held from May 17 to June 6, 2016; and

WHEREAS, the Watershed Management and Strategic Planning Committee of the Board recommended at its meeting on May 24, 2016 that the Board accept the 2016 NPPF.

NOW THEREFORE BE IT RESOLVED, the Minnesota Board of Water and Soil Resources hereby accepts the 2016 NPPF and authorize staff to post it on the website on July 1, 2016.

Brian Napstad, Chair
Board of Water and Soil Resources

Date: _____

Attachment: 2016 Nonpoint Priority Funding Plan

DRAFT