

Minnesota Board of Water and Soil Resources. Minutes.

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10/23/96

Minnesota Board of Water & Soil Resources

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DATE: October 14, 1996

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

FROM: Ronald D. Harnack, Executive Director

SUBJECT: October 23, 1996 BWSR Meeting

The Board of Water and Soil Resources (BWSR) will meet on Wednesday, October 23, 1996, beginning at 9:00 a.m. The meeting will be held in the BWSR conference room at One West Water Street, St. Paul. The following is some background information regarding the agenda items:

Old Business

1. Financial Oversight Committee: At its February 28, 1996 meeting, the Board appointed a Financial Oversight Committee to "comprehensively examine BWSR's local government financial oversight and accountability systems and develop performance-oriented recommendations for improvements which deter problems or find them quickly when they occur". The committee invited a number of LGU associations, audit agencies and BWSR staff to be advisors. The committee met four times between April and July. The report of the committee is contained in this board packet. DISCUSSION

New Business

1. Policies Relating to Metro Watershed Management: A policy is being brought before the Board which would delegate to the executive director the authority to determine just cause in failure to implement complaints filed under Minn. Rules Chapter 8410.0180. DECISION

2. Carnelian-Marine Watershed District Watershed Management Plan Amendment: The BWSR needs to take action to this amendment which would include in the capital improvements program an outlet to a land locked basin within the watershed. Estimated cost of the project is $137,000. A hearing was requested on this plan amendment by two landowners in the sub-watershed. This request was a result of the plan notification process by BWSR required during the review. The metro watershed planning sub-committee, chaired by Barb Cobb, will hold a public hearing at 7:00 p.m. on October 14, 1996, at

the Washington County Government Center Boardroom. Additional information regarding staff recommendation and BWSR sub-committee recommendation is pending. Hearing Findings, Conclusions, and Recommendations will be faxed for review. DECISION

3. Sunrise River Watershed Management Organization (SRWMO) Failure to Implement A Plan Investigation: The BWSR directed staff in September to begin an investigation for failure to implement a plan of the SRWMO. The BWSR received a complaint from Ms. Rita Harrington, regarding the SRWMO's policy of providing outlets to land locked basins. At the request of Ms. Harrington, the SRWMO, and subsequently the township, stated that they would not undertake a project to install an outlet on Fawn Lake. In discussions with Ms. Harrington, the metro region provided her with comments from review of the SRWMO second generation plan. Ms. Harrington agreed to withdraw her complaint, provided that the BWSR continue to work with the SRWMO to identify this as an issue in the plan. Enclosed is a copy of Ms. Harrington's letter dated October 2, 1996, withdrawing her complaint. Metro region staff will send a letter to Ms. Harrington notifying her of the work with the SRWMO and that the SRWMO will be expected to address this problem in the next draft of the plan. INFORMATION

4. Public Road Mitigation Program: Possible options for achieving the replacement for mitigation of wetlands required in the 1996 WCA Amendments using the $3M dollars. Staff recommend Option #4 - to have LGU's submit proposals. This is the preferred option among the team members as it has the greatest amount of flexibility and it also allows BWSR to work with local governments and provide them with another tool to target wetland restoration in areas that they feel are important. It was stated that the opportunity for these wetland restoration dollars should be made available to all local government units; soil and water conservation districts, watershed districts, counties, county highway departments, cities, etc., all should have an opportunity to access this money. The timing is such that it would be desirable to have this program announcement sent out this fall to dove-tail with the RIM program, either through a separate announcement or through an announcement done with RIM so that the local government units know this program will be following.

   The criteria for selection of projects would be benefit/cost, partnerships, location in the watershed, benefits to the watershed, public ownership or control, education opportunities, diversity of wetland types and sites in a variety of locations around the state that could benefit from wetland restorations. Thus, an "ideal" site might look as follows: A type ½/3 wetland complex in a recreational lake subwatershed within the Minnesota River or Cannon River or Wild Rice River Major Watershed on land publicly owned/purchased land bordered on one side by a school and on the other by a city park or wildlife management area and funded by a combination of public and private contributions (including: design expertise, equipment, land, legal services, construction, maintenance) from both the local and state level.

The recommended allocation of the $3M is as follows: $1M for metro urban renewal type projects, $1M for other metro projects and $1M for projects in greater Minnesota. Also, a cap of $333K per project is recommended for the urban renewal projects to ensure some distribution. See attachment for details of how selection criteria will be enacted. DECISION

5. Proposed Work Plan for Drainage Training: A grant work plan for $50K to AMC is attached and requires Board approval. AMC, MAWD, Attorney General's Office, DNR, MES and BWSR will oversee the project. The grant will result in approximately 10 training sessions in February-April 1997, along with a video and user guide to the law so that officials that are responsible for public draining decisions will have the base of understanding to work from. DECISION

6. 1997 Natural Resources Block Grant: This is the fourth year of the Natural Resources Block Grant (NRBG) Program. The NRBG is an annual grant formulated to assist LGUs in implementing four state mandated programs. These programs are: implementation of comprehensive local water plans, the Wetland Conservation Act, DNR shoreland management, and the MPCA county feedlot program. This grant is issued to counties. The Board is requested to approve the 1997 NRBG and authorize staff to begin the process of announcing and issuing these non-competitive grants. DECISION

7. Minnesota Erosion Control Association (MECA) Presentation: MECA would like to give a brief presentation on the activities they are involved in which include regional erosion control training sessions; an annual conference; and their association with private industry advancements in erosion control technology. INFORMATION

8. Budget and Legislative Update: INFORMATION

If you have additional agenda items or require additional information, please feel free to give me a call. Travel safely, I look forward to seeing you on the 23rd!

BOARD OF WATER AND SOIL RESOURCES
CONFERENCE ROOM, ONE WEST WATER STREET
ST. PAUL, MINNESOTA 55107
OCTOBER 23, 1996

PRELIMINARY AGENDA

9:00 a.m. **Call Meeting to Order**

Adopt Agenda

Approval of Minutes of September 25, 1996

Reports
- Chair - Barbara Cobb
- Executive Director - Ron Harnack
- Dispute Resolution Committee - Kathleen Roer
- Education & Public Relations Committee - Tim Hvidsten
- Feedlot Advisory Committee - Jim Rossman
- Cost-Share/Soil Conservation Committee - Dwain Otte
- Wetlands Committee - Darrell Bruggman
- Administrative Advisory Committee - Barbara Cobb
- Financial Oversight Committee - Ginny Imholte

Agency Reports
- Jim Anderson, Minnesota Extension Service
- Wayne Anderson, Pollution Control Agency
- Kim Benson-Johnson, Department of Health
- Paul Burns, Department of Agriculture
- Wayne Edgerton, Department of Natural Resources

Old Business
1. Financial Oversight Committee - Jim Birkholz - DISCUSSION

New Business
1. Policies Relating to Metro Watershed Management - Jim Haertel - DECISION
2. Carnelian-Marine Watershed District Watershed Management Plan Amendment - Bruce Sandstrom - DECISION
3. Sunrise River Watershed Management Organization Failure to Implement A Plan Investigation - Bruce Sandstrom - INFORMATION
4. Public Road Mitigation Program - John Jaschke - DECISION

5. Proposed Work Plan for Drainage Training - John Jaschke - DECISION
6. 1997 Natural Resources Block Grant - Wayne Zellmer - DECISION
7. Minnesota Erosion Control Association Presentation - Leo Holm - INFORMATION
8. Budget and Legislative Update - Ron Harnack - INFORMATION

Advisory Comments
- Bill Hunt, NRCS
- Jim Schafer, MASWCD
- Ray Bohn, MAWD
- Rick Reimer, MACDE
- Franklin Denn, MAT

Board Issues
- Next Board Meeting, December 18, 1996

Adjourn

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CONFERENCE ROOM, ONE WEST WATER STREET
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FINAL REPORT

BWSR-LGU FINANCIAL OVERSIGHT COMMITTEE

September 25, 1996

I. Introduction

The Board of Water and Soil Resources appointed a Financial Oversight Committee at its February 28, 1996 meeting. The charge of the committee was to "comprehensively examine BWSR's local government (LGU) financial oversight and accountability systems and develop performance-oriented recommendations for improvements which deter problems or find them quickly when they occur". Recommendations of the committee are to be made to the full board.

The BWSR members of the committee are:

Ginny Imholte, Committee Chair
Ted Lovdahl
Jim Rossman
Barb Cobb (ex-officio)

In addition a number of individuals and organizations volunteered to be advisors and participants with the committee:

Marilyn Bernhardson, MN Assn. of Soil and Water Cons. Districts
Vern Johnson and Ray Bohn, MN Assn. of Watershed Districts
Judy Goodman, MN Department of Finance
Ramona Skogman, MN Department of Finance
Tom Karlson, Office of the State Auditor
Renee Redmer, Office of the Legislative Auditor
Ron Shelito, BWSR staff
Doug Thomas, BWSR staff
Matt Moore, BWSR staff
Sara Johnson, BWSR staff
Tom Schwanke, BWSR staff
Jim Birkholz, BWSR staff

The committee held 4 meetings between April 4 and July 12. The committee examined the BWSR authorities and responsibilities for oversight of state grants which it makes to local governments. Grants are made primarily to soil and water conservation districts (SWCDs) and counties. It also examined other fiscal responsibilities for which BWSR has ties to local governments such as watershed districts (WDs), watershed management organizations (WMOs), and joint powers associations (JPAs). As part of this effort, staff researched the state Constitution,

applicable statutes, rules which BWSR has promulgated and administrative guidelines issued by the BWSR to local governments. The draft report was reviewed by committee members during the month of August. This report summarizes the findings and recommendations of the committee.

II. Findings

The committee found that it was very valuable and informative to have BWSR members, BWSR staff, representatives of local government, representatives of audit agencies, and Finance staff around the same table. The sharing of perspectives helped solidify the understanding that all the organizations share common goals of effective, accountable and efficient administration of government programs at all levels. The committee found that:

1. The existing financial oversight systems used by BWSR to insure that local governments comply with statutory and contractual requirements have been put together somewhat piecemeal over the years. As new programs were added it was sometimes assumed that an existing oversight system would provide all required information for the new program. Workload decisions have limited the amount of time BWSR staff spends on followup with local governments. Grants administered by BWSR to local governments have increased in number and local government budgets are becoming larger and more complex. While the existing oversight systems are not broken (problems are rare), they are fragmented and incomplete.

2. There is a great amount of misunderstanding within the BWSR/LGU delivery system regarding the purpose of a financial audit--what an audit is and what an audit actually accomplishes. There is a tendency for LGUs and the general public to view financial audits as an absolute check and verification of accuracy on all aspects of financial operation. This assumption is inconsistent with the established guidelines for auditors. While financial audits may uncover fraud, they are not specifically designed to do so. Generally speaking, LGUs would benefit from giving emphasis to good internal accounting controls including board oversight in day to day program administration rather than rely on an audit to detect problems.

3. BWSR must address the recommendation of the Legislative Auditor that BWSR exercise more oversight of grants it makes to local governments.

4. The use of electronic bookkeeping and reporting tools offers great potential for effective and efficient oversight. However, major obstacles exist due to the different computer systems used by various state and local offices and their limited access to

electronic linkages.

5. BWSR financial oversight policies need to be updated and communicated to be more useful in specific decisions of the BWSR Board and staff.

6. The respective roles of BWSR and LGUs in providing financial oversight and program accountability are not always clear.

7. The BWSR has not formalized policies regarding reporting deadlines and annual report contents for joint powers boards of SWCDs.

8. The BWSR has a responsibility to the general public to ensure the appropriate use of state grant funds that it administers to local government units.

9. Current statutory requirements for matching provisions on certain BWSR grants, especially in-kind match, generate needless work for LGU and BWSR staff. Tracking compliance with these requirements produces few if any accomplishments or results.

III. Recommendations

It is not the intention of the committee to be overly prescriptive in its recommendations but, rather that the following recommendations will be the catalyst for change. The BWSR Board and staff will be responsible to make decisions and implement specific financial oversight system updates. A cooperative approach with local governments and other oversight agencies will be essential to effectively implement the recommendations.

General

1. Updating financial oversight controls should be accomplished while examining the cumulative effect of all controls rather than updating program by program.

2. Local government units receiving grants from the BWSR should be required to report in writing at least annually on the financial and compliance aspects of their use of the grants. BWSR may require more frequent reporting when a specific program warrants it. BWSR staff should document verbal and informal interim visits with LGUs regarding grant compliance. A checklist should be developed for BWSR staff use to maximize the effectiveness of verbal and informal visits. The checklist should comply with the new Local Government Annual Reporting System (LARS).

3. The BWSR should establish a policy regarding its treatment of state funds which are transferred from one local unit of government to another. The policy should clarify that state funds lose their identity as state funds once they are disbursed from the local unit which was granted the funds by BWSR. The local unit of government which received the funds from BWSR is responsible for complying with all requirements of the grant agreement.

4. The BWSR should expand the use and function of currently required annual workplans, budgets and reports received from local governments as a condition of receiving state grants. A checklist should be developed for BWSR staff to use in reconciling the proposed workplan with the accomplishments in the subsequent annual report.

5. The BWSR should develop and use a matrix to track the various state grants being administered by LGUs. This would improve the ability of BWSR field staff to exercise appropriate oversight for state grants.

6. The BWSR should seek the necessary statutory changes to eliminate matching requirements as a condition of receiving certain grants. Where appropriate, limits should be placed on the amount of grant funds which can be used for overhead purposes (eg, cost share limitation of 20%). If it is not possible to eliminate matching requirements, in-kind matches should be negotiated between BWSR and the LGU receiving the grant.

7. The BWSR should implement better internal accounting controls to ensure that all funds owed by LGUs are paid back to the state in a timely manner.

8. The BWSR should consider an additional position to monitor LGU compliance with grant requirements.

9. The BWSR should clarify its role in grant oversight and audits to the LGUs it serves.

10. The BWSR should establish a policy for spot checks and site visits conducted by staff as it relates to grant compliance.

11. The BWSR should communicate its implementation of the recommendations of the Financial Oversight Committee to LGUs via training sessions and other appropriate meetings (more than just a memo).

Soil and Water Conservation Districts

1. The BWSR should amend its policy establishing SWCD reporting requirements for state grants to require:

- revised due dates for the Annual Accomplishments Report (using the new BWSR Local Government Annual Reporting System), Annual Plan of Work and Annual Financial Statement, with the concurrence of the Minnesota Association of Soil and Water Conservation Districts;

- that financial reports for all grants to SWCDs shall be filed with BWSR at least annually via the Annual Financial Statement which BWSR will revise;

- penalties for consistently incorrect reports; and,

- the SWCD Annual Financial Statement to include a description of the SWCD's system of internal financial controls. It should include the division of duties of SWCD board members and staff, and reconcile their current system with any recommendations made in the previous financial audit report.

- Further, the BWSR should update and clarify its policy on penalties regarding late SWCD plans and reports.

2. The BWSR should develop recommended systems of internal financial controls for small SWCD offices (one to three persons);

3. BWSR and the State Auditor should work together to clarify the purpose and scope of required SWCD financial audits. They should jointly distribute information to districts including the recommended contents of audit engagement letters which will help ensure effective entrance and exit interviews between districts and auditors. This information should further help SWCD boards identify any financial management, internal auditing, and compliance needs which may go beyond the scope of a financial audit.

4. The BWSR should update its policies to require timely completion of SWCD financial audits. The policy should include deadlines for starting and completing audits.

4. The BWSR should annually review its current policy for frequency of SWCD audits. The committee recommends keeping the current policy in place which requires a financial audit whenever SWCD cumulative revenues exceed $300,000. At a minimum a limited scope audit must be done at least every fourth year.

5. The BWSR should clarify its policy regarding SWCD audits. The intention is to, by mutual agreement, implement an audit process which satisfies both BWSR and the Office of the State Auditor's

statutory responsibilities for performing SWCD audits.

6. The BWSR should pursue, in cooperation with the Minnesota Association of Soil and Water Conservation Districts (MASWCD), implementation of an updated SWCD Electronic Accounting Package. The SWCD Accounting Coordinator should compile specifications for a package which should include the ability to generate needed reports and compatibility with the new BWSR Local Government Annual Reporting System. The status of computer equipment in SWCD offices should be assessed to determine any upgrades required to run a new package. A Request For Proposal should be published to identify potential vendors.

7. The BWSR should, in cooperation with MASWCD, prepare a list of "Core Abilities" for persons doing SWCD bookkeeping. This list should be used as a reference by districts to hire staff qualified to do bookkeeping and to identify needed training for existing staff.

8. The BWSR should annually distribute an updated list of available training and publications which would be helpful to SWCD bookkeeping staff. The BWSR should update the "Treasurer Responsibilities" in its SWCD Supervisor Handbook.

9. The BWSR should update its policies regarding the Cost Share program for SWCDs which are not in compliance with program requirements. The policy should include guidance for developing a payment plan to reimburse the state. It should require interest payments for slippage funds held by the district for excessive periods of time.

10. The BWSR should develop a policy regarding reporting requirements of joint powers boards of SWCDs which receive BWSR grants.

Counties

1. The BWSR should change the Natural Resource Block Grant agreement to require that the grant be audited every year as part of the State Auditor's financial audit of each county. The grant agreement should be amended to include an "audit checklist" which would be a guide for auditors.

Watershed Districts and Metropolitan Watershed Management Organizations

1. The BWSR should establish a policy to implement M.S. 103D.355. This statute requires the BWSR in consultation with the State Auditor to establish an amount of cumulative watershed district revenue or expenditures which would trigger the annual audit to be done by a certified public accountant or the State Auditor.

2. The BWSR should develop an improved annual reporting system for WMOs which includes a standardized format for reporting financial activities.

3. The BWSR should seek full implementation of rule requirements for metropolitan watershed management organizations' financial reporting and auditing. The BWSR should allow limited scope audits for WMOs with small budgets.

:FOCRPT.FIN

NEW BUSINESS #1

Minnesota Board of Water & Soil Resources

M E M O R A N D U M

October 14, 1996

TO: Board Members

FR: Jim Haertel, Water Management Specialist

PH: (612) 297-2906

RE: Policies Relating to Metro Watershed Management

At the September Board meeting two policies were adopted pertaining to watershed management in the metropolitan area. A third policy is now being brought before the Board (attached).

Policy 3: Delegation of Authority for Determining Just Cause in Failure to Implement Complaints

Citizens have a right to appeal and some appeals could be meritless, trivial, or brought solely for the purposes of delay. Also, upon receipt of alleged failure to implement plans, BWSR must decide within 30 days of receipt of the complaint on whether *just cause* has been established. (See Minn. Rules Chapter 8410.0180, Subp. 2 and Subp.3.A) Approval of this policy would allow BWSR to react in a timely manner in accordance with Minnesota Rules. Further, precedence has been established in the WCA rules for this type of procedure in processing WCA appeals. In consideration of this, it would be proper for the Board to vest in the Executive Director the ability to establish *just cause* in failure to implement complaints.

Please contact me if you have any questions.

Attachment

c: Harnack, Birkholz, Larson, Thomas, Sandstrom

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BWSR Policy Relating to Metro Watershed Management
October 23, 1996

Policy 3: Delegation of Authority for Determining Just Cause in Failure to Implement Complaints

The BWSR Board hereby delegates to its Executive Director the authority to determine *just cause* in failure to implement complaints pursuant to Minn. Rules Chapter 8410.0180.

NEW BUSINESS #3

RECEIVED

OCT 0 4 1996

October 2, 1996

MN BOARD of SOIL & WATER
RESOURCES
ATTN: MATT MOORE
ONE WEST WATER ST STE 200
ST PAUL, MN 55107

Dear Mr. Moore,

I would like to request that my complaint regarding the Sunrise River Water Management Organization not be pursued at this time. I understand that the SRWMO is going thru an evaluation of their plan with BWSR currently and that implementation issues will be addressed. I am hoping that this will result in a more responsive organization for our community.

However, I would like to request that, if in the future, the specific water problems at Fawn & Pet lakes reappear, this complaint could be speedily brought up again for investigation, rather than a new complaint needing to be filed.

Sincerely,

Rita Harrington

Rita Harrington

October 14, 1996

Proposed October Board Meeting Items

I. **Public Drainage Training Grant.** (Decision)

A grant workplan for $50K to AMC is attached and requires Board approval. AMC, MAWD, Attorney Generals office, DNR, MES and BWSR will oversee the project. The grant will result in approximately 10 training sessions in February-April of 1997, along with a video and user guide to the law so that officials that are responsible for public drainage decisions will have the base of understanding to work from.

II. **Public Road Mitigation Program.** (Decision)

Possible options for achieving the replacement for mitigation of wetlands required int he 1996 WCA Amendments using the $3M dollars.

Option #1 is to buy existing credits. The W-team recommendation was that this should not be a option at this time due to the fact that the legislature expected new wetlands to be established and the difficulty in determining who to buy from and at what price. If this is a future option the W-Team recommends that public entities (e.g. local road authorities) should be the ones that the Board buys the credits from.

Option #2 is an arrangement with MnDOT or DNR to do the mitigation on our behalf. It was noted that this option would only be available in greater Minnesota (neither agency is interested doing metro area sites) and thus the metro situation would be left to the Board. Also, it was felt that this would remove a tool that the agency has to achieve wetland restoration benefits that is not be available through other existing programs, such as RIM.

Option #3 is the Re-Invest in Minnesota Program. It was felt that there was some substantial conflict in the mission's of the two programs and that the record-keeping aspects of the road mitigation program were completely different than those for RIM. Also, the state easement required by RIM is something that wouldn't be necessary or desired as part of the road mitigation program. It did make sense among team members to try and dove-tail an alternative program with the RIM program so that landowners and LGU's knew that both programs were available and could match sites to their appropriate program.

Option #4 is to have LGU's submit proposals. **This is the preferred option among the team members** as it has it has the greatest amount of flexibility and it also allows BWSR to work with local governments and provide them with another tool to target wetland restoration in areas that they feel are important. It was stated that the opportunity for these wetland restoration dollars should be made available to all local government units; soil and water conservation districts, watershed districts, counties, county highway departments, cities, etc. all should have an opportunity to access this money. The timing is such that it would be desirable to have this program announcement sent out this fall to dove-tail with the RIM program, either through a separate announcement or through an announcement done with RIM so that the local government units know this program will be following.

The criteria for selection of projects would be benefit/cost, partnerships, location in the watershed, benefits to the watershed, public ownership or control, education

opportunities, diversity of wetland types and sites in a variety of locations around the state that could benefit from wetland restorations. Thus, an "ideal" site might look as follows: *A type 1/2/3 wetland complex in a recreational lake subwatershed within the Minnesota River or Cannon River or Wild Rice River Major Watershed on land publicly owned/purchased land bordered on one side by a school and on the other by a city park or wildlife management area and funded by a combination of public and private contributions (including; design expertise, equipment, land, legal services, construction, maintenance) from both the local and state level.*

Budgeting considerations. The W-team recommended allocating the $3M as follows: $1M for metro urban renewal type projects, $1M for other metro projects and $1M for projects in greater Minnesota. Also, a cap of $333K per project is recommended for the urban renewal projects to ensure some distribution.

See attachment for more details on how selection criteria will be enacted.

III. **Drainage Inventory Pilot** (Information - Decision at December meeting).
Several letters of interest have been submitted requesting their participation in this drainage inventory pilot and field staff have announced the program to Some of the items to be included in inventory are buffer strips, drained wetlands, abandoned areas, land uses, maintenance history, assessed parcels, maintenance expenditures, drainage areas, etc. The W-Team recommended that BWSR fund 3-5 projects using the $100K grant to assure that a quality/complete inventory is developed for each selected LGU. The product from the inventory will be a standardized GIS based program that will be available on a broader basis once the product is refined through this pilot. The product will be useful for both statewide analysis and for local government record keeping. No match was recommended to be required, but it should be encouraged. A drainage inventory pilot program will require some BWSR staff assistance from the BC level, wetland specialist or the computer person. A good example of the project in terms of a GIS compatibility is the Cass county wetland project.

IV. **Regulatory Simplification**. (Information)
The interagency Wetland Group is working toward a comprehensive regulatory simplification package titled GP-96. There are two new parts, the first dealing with public roads, trying to allow the WCA approval and replacement process for public roads to be applied to the USACOE regulatory program and to the DNR protected waters wetland program. The second part deals with the general public and their goal is to have one-stop shopping at the local level. A meeting of the GP-17 pilot program LGUs will be held on October 16 to review the positives and negatives of the program over the last two years. The major issue is the level of local governments capability (i.e. whether all LGUs should be allowed to try it and then have their privilege revoked or whether they should apply and demonstrate the capability beforehand). The effective date goal is February 1.

V. **LGU and BWSR Staff Delineation Policies** (Information - Decision at December mtg).
LGU delineation policy guidance and BWSR staff policy on wetland delineation involvement is needed to clarify proper roles and to avoid conflict of interest circumstances in WCA program implementation.

S:brdoct.wet

BWSR Transportation Impact Replacement Program

Metro Road Replacement:

- Background - $1 million for urban renewal projects
  $1 million for metro-wide projects
  ($0.3 million could be for other urban centers for urban renewal (e.g., St. Cloud, Rochester, Duluth).

- Local Support
  - High - those projects with a high level of local support. Project is identified in local or WMO plan, or is receiving some funding from local partners, private and public.

- Partnerships
  - High - private and public entities involved with project-cost shared projects-higher priority. (Urban renewal projects would likely fit this category anyway. Need to look at other criteria with this).

- Ownership
  - Highest - Public ownership/acquisition.
  - Medium - Easement acquisition.
  - Low - Deed restriction on private property. (This goes along with maintenance needs - site must be easily accessible. Deed restriction may not be sufficient.)

  For urban renewal projects, highest priority should be placed on those that are/will be part of larger public system, (i.e., park - this also addresses maintenance needs.)

- Project Cost
  - Highest priority - Projects with most credit for the dollar.
  - Medium - NWC and PVC resulting.
  - Low - PVC and minimal NWC

- Maintenance
  - Higher priority - simpler/restoration is better.
  - Urban renewal projects are by nature more complex, will need to compare proposals. Those which present fewer maintenance issues should receive higher priority.
  - On public land and/or easy access to site would receive higher priority.

- Geographic Area
  - Urban/metro projects are high priority according to law (i.e., critical urban area), therefore, funds focused further than this area should be prioritized in critical urban landscape. Things to consider: flood prone areas, e.g., along the Minnesota or Mississippi River's or Rochester along Zumbro River; regional/watershed priority areas where wetland restored a created could provide functions to above rivers or other high priority water bodies for example Minneapolis Chain of Lakes, White Bear Lake, Lake Bullesby (SPWU waters); and other drinking water supplies.

- Complexes of Wetland Types
  - Highest priority will be place on those projects which will restore first priority. Second priority create a variety of wetland types and especially types 1 and 2 where

there have been significant losses.

- The issue of creating "clumped" wetland credits is not as great in metro area as in non-metro, simply because the opportunities just are not there. Those opportunities which provide the most varied complex of wetland types for the dollar should be highest priority.

Greater MN Road Replacement:

Ownership- higher priority for fee title or easements, lower for deed restriction.

Watershed contact - higher priority for projects coordinated with a larger watershed management effort. For example, Elk River Watershed, Lake Miltona Watershed, Heron Lake Watershed, Cannon River, Minnesota River.

Adjacent assets - higher priority for parcels adjacent to major wetland complexes, lakes, rivers.

Number of basins to acreage ratio - higher priority for proposals that restore a number of smaller basins rather than one or two large basins. Replacements already represent the "clumping" of several smaller impacts into one larger replacement. We should encourage projects that somewhat offset this liability. (e.g., BWSR previously funded an easement in Douglas county that protected 200 acres of wetlands scattered over 50 distinct basins.)

Geographical distribution - proposals from the transition area may be common. There may be fewer proposals from areas of higher land values or most certainly from the forested part of the state. Strive for focused geographic distribution over the long haul.

Project per acre costs - projects in the transition area or any areas with lower land values will potentially offer more credits/dollar. Some of these areas are in prime prairie pothole regions.

Project maintenance - projects that have minimal long term maintenance needs should be a higher priority. Maintenance responsibilities would be with the landowner and the LGU. Simple ditch plugs and/or tile riser type restorations may fare better than more complex structures.

- Selection Process: BC's will be the preliminary reviewers with recommendations forwarded to the W-Team and Wetland Subcommittee and then to the Board.

- Concern #1: providing the LGU's with the incentive to participate. They have nothing to lose if they adequately cover their costs in the project budget, including long-term maintenance. Making this clear and focusing on their participation in the partnership should help.

- Concern #2: the BWSR staff time necessary to administer the program (fiscal management, impacts record keeping, project oversight). An option may be to contract for some services.

s:roadbrd.jj (10-14-96)

Work Plan
AMC Public Drainage Training Grant
October 3, 1996

I. Project Components

1. Conduct approximately 10 one-day sessions around the state for approximately 600 county commissioners, watershed district managers, city officials, state agencies, interest groups, and LGU staff. The goals of the sessions are to be educational and practical and to avoid controversy and site-specific discussions. The scope of the sessions will be on the basics of the drainage law from a project sponsor's point of view. The sessions will be conducted by April 1997.

   Topics to be covered:
   - Roles and responsibilities of drainage authorities.
   - Connection to other laws such as the Wetland Conservation Act, DNR Protected Waters, Federal Farm Bill and Environmental Review requirements.
   - Redetermination of benefits. Legal and practical and factors to be considered
   - History of drainage law.
   - Types of projects: a) Maintenance; b) Minor repair; c) Major Repair; d) Improvement.
   - Bonding and hearing requirements.
   - Record keeping.
   - Financial management.
   - Experts/consultants: Engineering, viewing, legal.

2. Develop "USERS GUIDE TO THE DRAINAGE LAW/MANUAL" resulting in a short, user-friendly, simple guide that would allow county commissioners and watershed district managers, in particular, to get a quick understanding of the law.

3. Update the drainage manual to include relevant items from changes made since it was produced and distributed in 1992.

4. Develop a training video tape for statewide distribution such as the one developed by the Red Lake Watershed District and Red River Watershed Management Board for potential project participants.

5. Evaluation/Report/Followup. A report describing the outcomes and evaluations of the project components as well as pointing out shortcomings of the drainage law as identified through the training sessions will be developed. Also, followup information to session participants will be provided to address information requests not fulfilled at the training sessions or by another component of the project.

II. **Budget**

Assets: $50,000 grant plus an attendance fee of $25 per person (to cover facility, food, materials). Total available = $65,000.

Expenditure Estimates:

1.) A.) Hiring via contract a facilitator for logistics as well as someone to moderate the sessions = $15,000.
B.) Hiring expert presenters for training sessions = $10,000.
C.) Meeting site, refreshments, handout materials = $10,000

2.) Develop, print and distribute user's guide to drainage law/manual = $15,000.

3.) Update drainage manual = $2,000 (may be less if DNR can accomplish this task).

4.) Develop and distribute videotape = $10,000

5.) Evaluation/Followup/Report = $3,000

Caveats:

- Budget items 1 and 5 will be linked via contract as will items 2, 3, and 4.
- An oversight group consisting of the Association of Minnesota Counties, the MN Department of Natural Resources, the MN Board of Water and Soil Resources, the Minnesota Association of Watershed Districts, the University of Minnesota Extension Service, and the Office of the State Attorney General will direct and monitor the project and meet periodically with the contractors to review progress and product content.

workplan prepared by John Jaschke, MnBWSR (612)297-3432. s:drainwp.jj

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BWSR GUIDANCE
Wetland Delineations by WCA LGU and SWCD staff

Since the passage of the Wetland Conservation Act (WCA) in 1991, the demand for professional wetland delineation services has increased dramatically. Private consulting firms and local government unit (LGU) and soil and water conservation district (SWCD) staff members have inquired about the appropriateness of public staff performing wetland delineations.

By their nature, wetlands and land use regulations are controversial. While the Board of Water and Soil Resources (BWSR) cannot prohibit LGU/SWCD staff people from providing delineation services, the BWSR recommends that LGU/SWCD staff **REFRAIN from providing such services outside of their job duties.** LGUs/SWCDs have the primary duty of carrying out law and rule. Consultants have the primary duty of fulfilling the obligations of the contract with their client. These two roles may be in direct conflict with each other; therefore, an LGU or SWCD staff person serving as a "consultant" could clearly constitutes a potential conflict of interest. LGU/SWCD staff can limit their exposure to liability by avoiding such situations.

In addition, BWSR further recommends that SWCD/LGU staff **LIMIT even those wetland delineation activities that are done as part of their job.** Instances in which it may appropriate for LGU/SWCD staff to provide delineation services include cases in which individual landowners have little choice but to ask the LGU to provide those services. This generally occurs in two situations:

- consulting services may not be readily accessible, particularly if the area is outside of the urban and urbanizing centers; or
- the project is too small (and hence, not profitable enough) to attract a consultant.

In general, LGUs/SWCDs should not provide delineation services if the alternative of consulting services is readily available and/or the project is a commercial, residential or large-scale project that can hire an independent wetland consultant. However, where few alternatives exist, LGU/SWCD staff could provide delineation services to individual landowners for small projects.

In a situation where the LGU/SWCD is providing delineation services, BWSR recommends the following to ensure fairness:

- In areas with adequate staffing at the LGU/SWCD level, one staff could provide the delineation service, while another could serve on the three member Technical Evaluation Panel (TEP).
- If there is not enough staffing for such an arrangement, the LGU/SWCD should consider reciprocal agreements with neighboring LGUs/SWCDs to provide the member to the TEP.
- An option of last resort is a two member TEP, since the third member would be the involved LGU/SWCD staff (based on WCA Rules which state that the decisions of the TEP "must be endorsed by at least two of the three members").

BWSR provides this information to LGU/SWCD officials to consider, under their sound discretion, establishing a policy for their staff based upon the guidance presented herein and the BWSR Employee Conduct Policy. The Wetland Delineators Association can assist in this matter by providing as complete a list as possible of those who provide delineation services. The USCOE also maintains a list of delineators who have asked to be placed on it. Neither of these lists constitute a recommendation.

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Board of Water and Soil Resources
Employee Conduct Policy
Regarding Wetland Conservation Act

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To avoid any conflicts of interest or the appearance of any conflicts of interest, staff of the Minnesota Board of Water and Soil Resources (BWSR) shall not perform any wetland delineation activities related to the Wetland Conservation Act (WCA) for any employer other than the BWSR. One exception is if the land upon which the delineation is taking place is owned by the BWSR staff person; in that case, the staff person could "employ" himself or herself to perform a wetland delineation on his or her own land. If, however, the sight is potentially controversial, the BWSR recommends that the BWSR staff person hire an outside professional to either perform the initial delineation or to affirm the delineation results obtained by the BWSR staff person. If a technical evaluation panel (TEP) is required to provide input on the delineation, the BWSR staff person who owns the land may not serve on the TEP.

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GP-96 Outline

Wetland Regulatory Simplification Package
via State Programmatic General Permit(s) (SPGPs)

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Section I GP-1 (MNDNR)

Section II "GP5" for Public Road Authorities (size limit = 10 acres)

A) Existing Roads = WCA reporting and BWSR mitigation
B) New Roads = WCA replacement plan
C) [if size limit included then USACOE IP required if 10 acre limit exceeded]

Complementary Action Needed: State GP from DNR authorizing public road authorities to follow WCA process for sequencing, reporting and replacement for Protected Waters Wetlands.

Section III "GP-17 revised" for General Public

Category 1 -- USACOE review not required:

Activities included (see attachment #1):

a) <10,000 square feet impacts; and,

the following >10,000 square feet impacts:		WCA Status
b)	wildlife ponds with WCA conditions.	(Exemption #10)
c)	forest roads with WCA conditions.	(Exemption #7)
d)	utility/public works installation with WCA conditions.	(Exemption #6)
e)	temporary impacts with WCA/404 conditions.	(No-loss)
f)	wetland restorations with WCA conditions.	(No-loss)
g)	normal farming practices with WCA/USDA/404 conditions.	(No-loss)
f)	drainage of temporary wetland restorations with (USFWS) contract.	(Exemption #4)

Notice: Only to LGUs as required by the WCA process.

Category 2 -- USACOE review and response:

Activities included: Those not eligible for Category 1 that are less than 3 acres of total wetland impact.

A. WCA Replacement Plan
Notice: Only to LGUs use WCA notice process + USACOE, MPCA, USFWS, EPA, SHPO.

B. WCA non-regulated = USACOE PDN or IP
Notice: to USACOE

Category 3 -- USACOE Individual Permit required:

Activities included: Those with more the 3 acres of total wetland impact.

Notice: To LGUs and USACOE.

GP-96 Education Plan

- revised/upgraded WCA replacement plan, sequencing findings-of-fact, and Technical Evaluation Panel (TEP) findings-of-fact forms (see attachment #2A, #2B, #2C).
- Revised Project Notification form
- Comprehensive Wetland Regulations brochure
- Administrative Training sessions for LGUs

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GP-96 LGU Performance Assurance Steps:

1. WCA Notice and comment process (see attachment #3)

2. WCA Appeals process

3. BWSR WCA Corrective Action Policy - July 1996 (see attachment #4)

4. Periodic interagency "audits" of LGU activity

5. Regional discretionary invocation of IP requirements

6. Modification or revocation of GP-96

GP-96 Enforcement

See Wetlands/Waters Enforcement Procedures Interagency Guidance (see attachment #5)

Benefits of GP-96

- One-stop-shopping at the local level for most wetland project approvals (see attachment #6 for project size summary).
- Streamlines/simplifies the project review process for the regulated community.
- Eliminates redundant project reviews and paperwork processing by multiple federal, state and local agencies.
- Improves program efficiency so that agency efforts can be changed from reactive to proactive.
- Includes "checks and balances" opportunities via public notice processes and administrative appeals options.
- Maintains the existing level of environmental protection for the state's natural resources.

1997 NATURAL RESOURCES BLOCK GRANT

The Natural Resources Block Grant (NRBG) is formulated to assist local governments in the following four programs: implementing comprehensive local water plans, administration of the Wetland Conservation Act, DNR shoreland management, and the local MPCA Feedlot Permit Program. A county may apply for any or all four program components.

The 1997 NRBG is a base grant is that is available to each county administering these programs. This grant is not competitive.

1997 NRBG Schedule

October 23, 1996	BWSR requested to authorize 1997 NRBG
November 1996	NRBG announced in State Register
	NRBG application sent to counties
January 14, 1997	NRBG applications due in Central Office
February 1997	Grant agreements sent to counties

The grant components of the 1997 NRBG are highlighted as follows:

Comprehensive Local Water Plan Implementation $ 2,606,673
This component is for implementation of comprehensive water plans. A local levy match is required. The grant amount is derived from the formula of $37,500 - local levy, but all counties are eligible for a minimum of $18,750 (1995 legislative change).

WCA Implementation $ 1,744,790
This component is for the local administration of the WCA. A local 1:1 cash and/or in-kind match is required. The grant amount is derived from a base estimated amount of WCA activity. Grant amounts are the same as last year. SWCDs are eligible to receive at least $5,000 of this grant.

DNR Shoreland $ 518,000
This component is for the administration of state approved shoreland management programs. A local 1:1 cash and/or in-kind match is required. Grant amounts are the same as last year.

MPCA County Feedlot Program $ 875,140
This component is for county administration of the feedlot program. A local 1:1 cash and/or in-kind match is required. This grant is calculated by a formula revised in 1995 legislation. Grant amounts are the same as last year.

Proposed base grants for the 1997 NRBG are listed by county in the enclosed spreadsheets.

Staff Recommendation
Staff requests that the Board approve the 1997 NRBG and authorize staff to issue these grants to counties meeting the application requirements.

H:97NRBGBM

PROPOSED 1997
BWSR NATURAL RESOURCES BLOCK GRANT:
BASE GRANT BREAKDOWN BY TYPE

COUNTY	LOCAL WATER PLANNING		WETLAND CONSERVATION ACT	DNR SHORELAND	MPCA COUNTY FEEDLOT PROGRAM	BLOCK GRANT TOTAL
	REQUIRED LOCAL LEVY	CLWP BASE GRANT	WCA BASE GRANT	SHORELAND BASE GRANT	MPCA BASE GRANT	
AITKIN	$4,888	$32,612	$19,200	$12,375	$8,390	**$72,577**
ANOKA	$76,455	$18,750	$40,500	$3,000	$6,245	**$68,495**
BECKER	$7,144	$30,356	$24,200	$12,321	$12,605	**$79,482**
BELTRAMI	$6,436	$31,064	$36,000	$6,317	$10,205	**$83,586**
BENTON	$7,217	$30,283	$36,000	$3,771	$12,365	**$82,419**
BIG STONE	$1,490	$36,010	$10,000	$3,087	$6,830	**$55,927**
BLUE EARTH	$16,362	$21,138	$19,200	$3,722	$8,990	**$53,050**
BROWN	$6,545	$30,955	$10,000	$3,070	$11,795	**$55,820**
CARLTON	$7,156	$30,344	$19,200	$4,506	$7,775	**$61,825**
CARVER	$19,256	$18,750	$36,000	$3,000	$11,750	**$69,500**
CASS	$12,134	$25,366	$51,000	$12,275	$10,355	**$98,996**
CHIPPEWA	$3,781	$33,719	$10,000	$3,012	$6,815	**$53,546**
CHISAGO	$9,242	$28,258	$26,700	$5,671	$7,955	**$68,584**
CLAY	$9,775	$27,725	$16,700	$3,378	$8,495	**$56,298**
CLEARWATER	$2,804	$34,696	$19,200	$3,630	$11,000	**$68,526**
COOK	$3,282	$34,218	$12,200	$4,814	$5,060	**$56,292**
COTTONWOOD	$4,068	$33,432	$10,000	$3,181	$9,065	**$55,678**
CROW WING	$21,514	$18,750	$36,000	$21,946	$7,985	**$84,681**
DAKOTA	$116,108	$18,750	$41,000	$3,000	$8,435	**$71,185**
DODGE	$3,822	$33,678	$16,700	$3,069	$8,825	**$62,272**
DOUGLAS	$9,485	$28,015	$19,200	$9,803	$12,140	**$69,158**
FARIBAULT	$5,060	$32,440	$10,000	$3,138	$8,390	**$53,968**
FILLMORE	$4,327	$33,173	$10,000	$3,089	$19,985	**$66,247**
FREEBORN	$7,257	$30,243	$10,000	$3,602	$9,770	**$53,615**
GOODHUE	$21,134	$18,750	$16,700	$3,181	$15,740	**$54,371**
GRANT	$2,057	$35,443	$13,980	$3,507	$6,785	**$59,715**
HENNEPIN	$460,005	$18,750	$36,000	$0	$7,130	**$61,880**
HOUSTON	$3,817	$33,683	$12,200	$3,127	$14,645	**$63,655**
HUBBARD	$6,257	$31,243	$26,700	$9,677	$7,235	**$74,855**
ISANTI	$5,694	$31,806	$26,700	$4,595	$6,770	**$69,871**
ITASCA	$17,068	$20,432	$36,010	$11,596	$7,520	**$75,558**
JACKSON	$4,653	$32,847	$10,000	$3,455	$9,110	**$55,412**
KANABEC	$2,267	$35,233	$26,700	$4,693	$9,425	**$76,051**
KANDIYOHI	$10,613	$26,887	$19,200	$7,748	$11,195	**$65,030**
KITTSON	$3,051	$34,449	$16,700	$3,038	$6,660	**$60,847**
KOOCHICHING	$3,007	$34,493	$19,200	$3,123	$6,155	**$62,971**
LAC QUI PARLE	$2,424	$35,076	$10,000	$3,017	$6,180	**$54,273**
LAKE	$2,907	$34,593	$16,700	$5,295	$5,000	**$61,588**
LAKE OF THE WOODS	$1,162	$36,338	$26,700	$4,007	$5,885	**$72,930**
LE SUEUR	$5,978	$31,522	$16,700	$5,643	$9,110	**$62,975**
LINCOLN	$1,812	$35,688	$10,000	$3,176	$10,085	**$58,949**

PROPOSED 1997
BWSR NATURAL RESOURCES BLOCK GRANT:
BASE GRANT BREAKDOWN BY TYPE

COUNTY	LOCAL WATER PLANNING		WETLAND CONSERVATION ACT	DNR SHORELAND	MPCA COUNTY FEEDLOT PROGRAM	BLOCK GRANT TOTAL
	REQUIRED LOCAL LEVY	CLWP BASE GRANT	WCA BASE GRANT	SHORELAND BASE GRANT	MPCA BASE GRANT	
LYON	$7,305	$30,195	$10,000	$3,141	$10,535	**$53,871**
MCLEOD	$7,787	$29,713	$16,700	$3,429	$11,660	**$61,502**
MAHNOMEN	$1,243	$36,257	$12,200	$3,855	$6,620	**$58,932**
MARSHALL	$4,363	$33,137	$19,200	$3,000	$7,400	**$62,737**
MARTIN	$7,093	$30,407	$10,000	$3,470	$9,380	**$53,257**
MEEKER	$4,833	$32,667	$19,200	$5,433	$11,000	**$68,300**
MILLE LACS	$3,631	$33,869	$19,200	$5,517	$10,640	**$69,226**
MORRISON	$5,605	$31,895	$26,700	$4,526	$21,005	**$84,126**
MOWER	$7,319	$30,181	$12,200	$3,746	$10,865	**$56,992**
MURRAY	$3,423	$34,077	$10,000	$3,696	$10,385	**$58,158**
NICOLLET	$7,504	$29,996	$16,700	$3,077	$9,425	**$59,198**
NOBLES	$5,345	$32,155	$10,000	$3,054	$12,065	**$57,274**
NORMAN	$2,460	$35,040	$12,200	$3,011	$6,605	**$56,856**
OLMSTED	$34,140	$18,750	$26,700	$3,614	$13,805	**$62,869**
OTTER TAIL (2 SWCD'S)	$13,903	$23,597	$33,200	$20,362	$25,220	**$102,379**
PENNINGTON	$2,332	$35,168	$16,700	$3,251	$6,965	**$62,084**
PINE	$5,625	$31,875	$36,700	$6,768	$12,050	**$87,393**
PIPESTONE	$2,333	$35,167	$10,000	$3,000	$11,350	**$59,517**
POLK (2 SWCD'S)	$9,197	$28,303	$16,700	$3,967	$8,945	**$57,915**
POPE	$2,721	$34,779	$15,200	$4,877	$10,670	**$65,526**
RAMSEY	$164,187	$18,750	$26,700	$0	$5,030	**$50,480**
RED LAKE	$960	$36,540	$12,200	$3,297	$7,295	**$59,332**
REDWOOD	$5,297	$32,203	$10,000	$3,000	$10,595	**$55,798**
RENVILLE	$6,814	$30,686	$10,000	$3,055	$9,620	**$53,361**
RICE	$11,828	$25,672	$19,200	$4,806	$11,555	**$61,233**
ROCK	$3,312	$34,188	$10,000	$3,000	$11,090	**$58,278**
ROSEAU	$3,372	$34,128	$26,700	$3,095	$9,035	**$72,958**
ST. LOUIS (2 SWCD'S)	$42,708	$18,750	$36,700	$22,873	$7,370	**$85,693**
SCOTT	$23,880	$18,750	$36,000	$3,000	$9,350	**$67,100**
SHERBURNE	$25,559	$18,750	$36,000	$5,591	$7,010	**$67,351**
SIBLEY	$3,687	$33,813	$12,200	$3,098	$11,240	**$60,351**
STEARNS	$28,319	$18,750	$51,500	$10,330	$34,055	**$114,635**
STEELE	$8,694	$28,806	$12,200	$3,290	$9,620	**$53,916**
STEVENS	$2,498	$35,002	$10,000	$3,130	$7,310	**$55,442**
SWIFT	$2,816	$34,684	$12,200	$3,149	$7,730	**$57,763**
TODD	$3,437	$34,063	$19,200	$5,660	$20,225	**$79,148**
TRAVERSE	$1,946	$35,554	$10,000	$3,218	$5,780	**$54,552**
WABASHA	$4,286	$33,214	$12,200	$4,037	$13,460	**$62,911**
WADENA	$1,952	$35,548	$21,700	$3,539	$10,250	**$71,037**
WASECA	$4,806	$32,694	$12,200	$3,450	$7,775	**$56,119**
WASHINGTON	$61,395	$18,750	$36,000	$3,000	$6,950	**$64,700**

PROPOSED 1997
BWSR NATURAL RESOURCES BLOCK GRANT:
BASE GRANT BREAKDOWN BY TYPE

COUNTY	LOCAL WATER PLANNING		WETLAND CONSERVATION ACT	DNR SHORELAND	MPCA COUNTY FEEDLOT PROGRAM	BLOCK GRANT
	REQUIRED LOCAL LEVY	CLWP BASE GRANT	WCA BASE GRANT	SHORELAND BASE GRANT	MPCA BASE GRANT	TOTAL
WATONWAN	$3,061	$34,439	$10,000	$3,136	$7,325	**$54,900**
WILKIN	$2,562	$34,938	$10,000	$3,021	$5,690	**$53,649**
WINONA	$9,906	$27,594	$12,200	$3,043	$15,275	**$58,112**
WRIGHT	$24,985	$18,750	$36,000	$10,716	$13,685	**$79,151**
YELLOW MEDICINE	$3,029	$34,471	$10,000	$3,017	$8,375	**$55,863**
MARSHALL–BELTRAMI SWCD			$5,000			**$5,000**
ST. LOUIS RIVER BD.				$35,000		
NORTH SHORE MGMT. BD.				$50,000		**$50,000**
TOTALS	**$1,512,972**	**$2,606,673**	**$1,744,790**	**$518,000**	**$875,140**	**$5,744,603**

H:97NRBG

OVERVIEW OF THE FARIBAULT COUNTY COMPREHENSIVE WATER PLAN UPDATE - 1995

INTRODUCTION AND PHYSICAL DESCRIPTION OF THE COUNTY

Faribault County is located in south central Minnesota, in the southern tier of counties that lie along the Minnesota-Iowa border. The county is rectangular in shape and has an area of approximately 715 square miles. The population of Faribault County, according to the 1990 census (U.S. Bureau of the Census, 1990), was 16,937. The largest center of population is the city of Blue Earth, containing 3,745 people or about 22 percent of the total. Of the total population, approximately 65 percent is located within urban areas that are served by municipal systems; the remaining population is located in rural areas that are served by private or cooperative systems.

Faribault County is essentially a region of gently rolling ground moraine that was deposited by the Late Wisconsin Des Moines Lobe, the last glacier to advance over southern Minnesota. The southern half and western portion of Faribault County lie within the Blue Earth River Major Watershed; the north central and northeastern portions lie within the LeSueur River Major Watershed, and the southeastern corner lies with the Winnebago River Major Watershed.

There have been major changes in the physical environment of Faribault County since it was organized in 1855. Much of the terrain, which was once covered with sloughs and prairie plants such as big bluestem and Indian grass, is now producing corn and soybeans. Many of the wetlands, which recharged aquifers, removed nutrients and provided flood retention areas, have since been drained and are now being farmed. In 1982 Faribault County had more than 1,400 active farms, in 1994 that number was down to less than 1,200.

Faribault County's drainage system dates back to the early 1900's and is reaching the end of its functionable life span. Existing drainage systems are under designed for the drainage areas, and the cost to replace this system is astronomical. Some land may have to go back to original vegetation or an alternate use because it may be cost prohibitive for continued row crop production.

PLAN ACCOMPLISHMENTS

Faribault County implemented many activities identified in the 1990 Plan including clandestine dump cleanup, monitoring of urban and agricultural runoff, adoption of Rule 7080 for individual sewage treatment systems, development of surface and groundwater atlases, identification of sensitive groundwater areas, well sealing program, development of a hazardous spill plan, and continuation of the water planning advisory committee.

STAFF REVIEW

The 1995 Plan Update incorporates the watershed approach to management by dividing the Plan into the Blue Earth and LeSueur River basins. Another new part of the Plan is the implementation schedule which lays out what will be done, who the lead and partner agencies are, when it will be done, and how much it will cost. The activities which are planned for the next ten years include development and implementation of an individualized land use plan for each cooperator; land treatment, including buffer strips and wetland reestablishment in order to slow velocities; and ease the affects on the county drainage system. Also, the county plans to map manure application sites and develop a map of high risk application sites.

The plan was submitted for final review on September 16, 1996.

OVERVIEW OF THE STEELE COUNTY COMPREHENSIVE WATER MANAGEMENT PLAN UPDATE 1997-2006

INTRODUCTION AND PHYSICAL DESCRIPTION OF THE COUNTY

Steele County is located in southeastern Minnesota. Owatonna is the county seat. The county has a well developed, diversified industrial economy. Steele County includes several small communities that are economically tied to the highly productive agricultural base which predominates land use in the county.

Most of Steele County is nearly level to rolling till plain with highly productive soils. The county is situated in the prairie pothole terrain. The county contains several small lakes and numerous pothole wetlands. A substantial portion of agricultural land has been drained to enhance crop production. Ditch systems were developed for agricultural drainage outlets where natural streams were not adequate for depth, capacity or location.

PLAN ACCOMPLISHMENTS

Steele County implemented many activities identified in the 1990 Plan. These included programs for groundwater protection, environmental education, geologic atlas publication, soil survey digitization, industrial waste management plans, inventories of feedlots and ditches, regulations for sewage and wastewater, floodplains and shoreland, land use plan and filter strip compensation.

STAFF REVIEW

The Plan Update adds new information to a revised data and assessments section and organizes the implementation section into five goal categories which include **Groundwater Quality, Surface Water Quality, Ground & Surface Water Quantity, Special Land Uses & Conditions and Related Land Resources.** Each category contains from one to four Goal statements. Each Goal is assigned Objectives and Actions that include the activity and anticipated date of completion. Selected Actions are identified as **Priority Actions** which further define activities to include: coordinating agencies, funding sources and estimates and time frames. The Plan Update identifies twenty-seven **Priority Actions** which include technical assistance, cost sharing programs, education and research, inventory, monitoring and data base development, waste collection programs, regulations and enforcement and land

use development and natural resource protection.

The Steele County Comprehensive Water Management Plan Update was submitted for final review on September 30, 1996.

12/18/96

Minnesota Board of Water & Soil Resources

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DATE: December 4, 1996

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

FROM: Ronald D. Harnack, Executive Director RDH

SUBJECT: December 18, 1996 BWSR Meeting

The Board of Water and Soil Resources (BWSR) will meet on Wednesday, December 18, 1996, beginning at 9:00 a.m. The meeting will be held in the BWSR conference room at One West Water Street, St. Paul. The following is some background information regarding the agenda items:

Consent Agenda

1. **County Water Plan Approvals**: The Comprehensive Local Water Plans of Carlton, Kanabec, Lyon, Nicollet, Redwood, Stevens, Traverse, and Yellow Medicine were presented and reviewed by the committee of the Board and are recommended for approval. DECISION

2. **Requests for Water Plan Extensions**: The counties of LeSueur, Crow Wing, Hubbard, Freeborn, Norman and Olmsted have requested extensions to their existing comprehensive local water plans. DECISION

   LeSueur County's request is based on the fact that revisions to their comprehensive land use plan, zoning ordinance, septic ordinance, shoreland ordinance, and the creation of feedlot and manure management regulations in 1996 took longer than anticipated resulting in the delay of the water plan update. LeSueur County is requesting a 12-month extension to December 31, 1997.

   Crow Wing County's request for extension is due to the resignation of the Planning and Zoning Administrator in March of 1996. The resignation required the water plan coordinator to assume the responsibilities of the zoning administrator on an interim basis which did not allow for the completion of the water plan update this year. Crow Wing County is requesting a six-month extension to July 31, 1997.

Hubbard County's request for extension has been caused by concerns expressed by the County board through its task force representative. At issue is how the role of the county should be defined in wellhead protection plans developed by municipal water suppliers, specifically when the wellhead protection zone extends beyond city limits. This has resulted in the need for additional dialogue between the county, cities, and Minnesota Department of Health. In order for this to happen the County is requesting that their local water plan be extended through December 31, 1997.

Freeborn County's request for extension has been caused by the inability of existing staff to complete the plan update in the timeframe originally agreed to by the County board. At this point in time, the County has enlisted the services of a consultant to step in and complete the process. Therefore, the County is requesting an extension of their plan to December 31, 1997.

Norman County's request for extension has been caused by abnormal workloads in the county caused by flooding that occurred in the spring of 1996. In addition, the County is struggling with the issue of CRP conversion (up to 40,000 acres) and how the water plan may be used to address it. Norman County is requesting an extension of their plan to December 31, 1997.

Olmsted County's request for extension is necessary to complete the plan review and comment period. The draft plan is currently under review by local governments and agencies in the County. Olmsted County is requesting an extension of their plan to December 31, 1997.

Old Business

1. **Financial Oversight Committee Report:** Board members received a copy of the Financial Oversight Committee's Report last month and need to take formal action on the report at the December meeting. DECISION

2. **Reorganization CORE Report**: Minnesota Planning is charged with developing a long-range plan for the state, stimulating public participation in Minnesota's future and coordinating activities with state agencies, the legislature and other units of government. The attached report, "Crosscurrents" was prepared by an interagency work group with representatives from the Environmental Quality Board, Pollution Control Agency, the Departments of Agriculture, Health, and Natural Resources, and the BWSR. INFORMATION

3. **Environmental Trust Fund:** An update will be presented regarding the Environmental Trust Fund. INFORMATION

4. **Outcome of State Revolving Fund (SRF) Meeting:** Attached is a summary of the SRF meeting held last month in St. Cloud. INFORMATION

New Business

1. **Carnelian-Marine WD Plan Amendment:** This item is being brought to the Board for approval by the Metro Water Plan Subcommittee (Barb Cobb, Dwain Otte, and Kathy Roer). The plan amendment amount to a revision to the WD's capital improvement program for the construction of an outlet for Lake Louise, a landlocked lake that has experienced some flooding problems recently. A Findings of Fact, Conclusions, Order and Memorandum will be presented for the Board to approve the amendment. The Memorandum is recommended to be a part of the Order for the purpose of expressing some specific concerns about the project and providing some suggestions on how the WD should proceed. A public hearing was held on October 14, 1996 by the subcommittee on the Plan Amendment pursuant to a request for such hearing by aggrieved parties.

2. **Yellow Medicine River Watershed District Comprehensive Plan Revision:** This plan is being brought to the Board for approval. The Plan was submitted in May of 1994. The plan review and approval process was longer than normal due to differences between the District, BWSR, and DNR regarding plan content, particularly those aspects that dealt with drainage and flood control. Compromise language has been agreed to by the parties and both the DNR and BWSR staff are recommending approval of the plan at this time. DECISION

3. **Dakota County Environmental Education Program Recognizes BWSR:** A grant from BWSR provided funding to develop three wetland teaching packs, build a wetland learning platform, purchase three ground water models, and provide resources for the countywide resource center in the Dakota County Library System. A certificate of appreciation was awarded to BWSR on October 23. INFORMATION

4. **Permanent Wetland Preserve (PWP) Application:** This issue is being brought before the BWSR at the request of Mr. Scott Campbell, with support from the Faribault SWCD. Mr. Campbell is asking you to reconsider BWSR staff's decision to not fund his PWP application. Enclosed, please find a memorandum in which I have attempted to summarize events and highlight the critical issues surrounding the 1994 and 1995 Campbell PWP easement application. The application has been denied funding by BWSR staff because it does not satisfactorily address the resource protection priorities that have been established in the work plan for the RIM and PWP conservation easement programs. Many of you visited this site last May on your tour of the Blue Earth River basin. DECISION

If you have additional agenda items or require additional information, please feel free to give me a call. Lunch will be provided; board members please remember to bring a dessert to share. Travel safely, I look forward to seeing you on the 18th!

BOARD OF WATER AND SOIL RESOURCES
CONFERENCE ROOM, ONE WEST WATER STREET
ST. PAUL, MINNESOTA 55107
DECEMBER 18, 1996

PRELIMINARY AGENDA

9:00 a.m. **Call Meeting to Order**

Adopt Agenda

Approval of Minutes of October 23, 1996

Reports
- Chair - Barbara Cobb
- Executive Director - Ron Harnack
- Dispute Resolution Committee - Kathleen Roer
- Education & Public Relations Committee - Tim Hvidsten
- Feedlot Advisory Committee - Jim Rossman
- Cost-Share/Soil Conservation Committee - Dwain Otte
- Wetlands Committee - Darrell Bruggman
- Administrative Advisory Committee - Barbara Cobb
- Financial Oversight Committee - Ginny Imholte

Agency Reports
- Jim Anderson, Minnesota Extension Service
- Wayne Anderson, Pollution Control Agency
- Kim Benson-Johnson, Department of Health
- Paul Burns, Department of Agriculture
- Wayne Edgerton, Department of Natural Resources

Consent Agenda
1. County Water Plan Approvals - Recommendation of Review Committees: Carlton, Kanabec, Stevens, Traverse, Lyon, Nicollet, Redwood, Yellow Medicine - DECISION
2. Requests for Water Plan Extensions LeSueur, Crow Wing, Hubbard, Freeborn, Norman, Olmsted Counties - Doug Thomas - DECISION

Old Business
1. Financial Oversight Committee Report - DECISION
2. Reorganization CORE Report - Ron Harnack - INFORMATION
3. Environmental Trust Fund - Ron Harnack - INFORMATION
4. Outcome of SRF Meeting - Ron Harnack - INFORMATION

New Business

1. Carnelia-Marine WD Plan Amendment
   -Metro Water Planning Subcommittee - DECISION
2. Yellow Medicine River Watershed District Comprehensive Plan Revision
   - Doug Thomas - DECISION
3. Dakota County Environmental Education Program Recognizes BWSR -
   Dwain Otte - INFORMATION
4. Faribault County Permanent Wetland Preserve (PWP) Application - Tim
   Fredbo - DECISION

Advisory Comments

- Ray Bohn, MAWD
- Franklin Denn, MAT
- Bill Hunt, NRCS
- Rick Reimer, MACDE
- Jim Schafer, MASWCD

Board Issues

- Next Board Meeting, January 22, 1996

Adjourn

BOARD OF WATER AND SOIL RESOURCES
CONFERENCE ROOM, ONE WEST WATER STREET
ST. PAUL, MINNESOTA 55107
DECEMBER 18, 1996

AGENDA

9:00 a.m. **Call Meeting to Order**

Adopt Agenda

Approval of Minutes of October 23, 1996

Reports
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- Executive Director - Ron Harnack
- Dispute Resolution Committee - Kathleen Roer
- Education & Public Relations Committee - Tim Hvidsten
- Feedlot Advisory Committee - Jim Rossman
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1. County Water Plan Approvals - Recommendation of Review Committees:
   Carlton, Kanabec, Stevens, Traverse, Lyon, Nicollet, Redwood
   DECISION
2. Requests for Water Plan Extensions
   LeSueur, Crow Wing, Hubbard, Freeborn, Norman, Olmsted
   Counties - Doug Thomas - DECISION

Old Business
1. Financial Oversight Committee Report - Ginny Imholte - DECISION
2. Reorganization CORE Report - Ron Harnack - INFORMATION
3. Environmental Trust Fund - Ron Harnack - INFORMATION
4. Outcome of SRF Meeting - Ron Harnack - INFORMATION

New Business

1. Carnelian-Marine Watershed District Plan Amendment
   -Metro Water Planning Subcommittee - Kathy Roer - DECISION
2. Dakota County Environmental Education Program Recognizes BWSR - Dwain Otte - INFORMATION
3. Faribault County Permanent Wetland Preserve (PWP) Application - Tim Fredbo - DECISION

Advisory Comments

- Ray Bohn, MAWD
- Franklin Denn, MAT
- Bill Hunt, NRCS
- Rick Reimer, MACDE
- Jim Schafer, MASWCD

Board Issues

- Next Board Meeting, January 22, 1996

Adjourn

DRAFT

BOARD OF WATER AND SOIL RESOURCES
CONFERENCE ROOM, ONE WEST WATER STREET
ST. PAUL, MINNESOTA 55107
OCTOBER 23, 1996

BOARD MEMBERS PRESENT: Barb Cobb, Barb Uppgaard, LeRoy Stensgaard, Darrell Bruggman, Ted Lovdahl, Glenn Annexstad, Jim Rossman, Ginny Imholte, Dwain Otte, Tim Hvidsten, Kathy Roer, Marv Tripp.

AGENCY MEMBERS PRESENT:
Fred Bergsrud, Minnesota Extension Service
Kim Benson-Johnson, Department of Health
Wayne Edgerton, Department of Natural Resources
Marge Velky, Pollution Control Agency
Paul Burns, Department of Agriculture

OTHERS PRESENT:
Jim Schafer, MASWCD
Franklin Denn, MAT
Don Wodek, Hennepin SWCD

STAFF PRESENT: Ron Harnack, Wayne Zellmer, Jim Haertel, Dale Krystosek, John Jaschke, Barbara Ohman, Ron Shelito, Mary Jo Anderson.

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

** 96-76 **Adopt Agenda** - Moved by Ted Lovdahl, seconded by Dwain Otte to adopt the agenda as presented. Motion passed on a voice vote.

** 96-77 **Minutes of September 25, 1996 -** Moved by Darrell Bruggman, seconded by Barb Uppgaard, to approve the minutes of September 25, 1996 as circulated. Motion passed on a voice vote.

Reports

Chair's Report - Chair Cobb sent a letter to board members prior to the meeting; nothing further to report at this time.

Executive Director's Report - Ron Harnack reported that the all staff meeting went well, and provided a good opportunity for staff to interact formally and informally. Ron commented on the nonpoint engineering grants program; communications have been addressed, meetings are being scheduled to address administrative issues and future communication. Ron reported that he, Barb Cobb, and Tom Schwanke had their first meeting with the Executive Budget Team (EBT) (Commissioner of Finance, Deputy Commissioner of Revenue, Governor's staff). Focus on reallocation of base budget; prioritization; and acknowledgment that dollars are very limited. The EBT will look to the environmental cluster for recommendations and priorities.

Ron Harnack met with Fred Bergsrud, Minnesota Extension Service (MES) regarding the shared MES/BWSR water resources education position in Duluth; the position will continue through the next fiscal year and will be addressed annually. Barb Luikkonen will work with Ron Shelito on details.

Ron Harnack reported that he and Mark Nelson met with Joel Maggert and county commissioners in International Falls to discuss the WCA comprehensive plan. Many issues raised were not new.

Ron Harnack reported that Greg Larson and Kevin Lines are working on the Conservation Reserve Enhancement Program proposal being submitted to USDA for consideration. It would significantly accelerate permanent easements for flood prone areas, buffer strips and wetland restoration in the Minnesota River basin.

Dispute Resolution Committee Report - Kathy Roer reported that a Wetland Conservation Act (WCA) appeal has been received regarding the Minnehaha Creek Watershed District.

Cost Share/Soil Conservation Committee Report - Dwain Otte reported that the committee decided that it is appropriate at this time to "put on hold" all efforts to reexamine the cost share allocation formula until budget initiatives are concluded. The committee will meet in January and look at allocations.

Agency Reports

Department of Natural Resources (DNR) - Wayne Edgerton reported that DNR is working with the Farm Bureau on the community outreach program to develop working relationships with the agricultural community. Wayne reported that the new trespassing law went into effect in August and is being strictly enforced. The firearm deer season beings on November 9.

Minnesota Extension Service (MES) - Fred Bergsrud reported that he is filling in today for Jim Anderson while Jim attends the Individual Sewer Treatment Systems (ISTS) meeting. Fred has been chairing a group on whole farm planning discussing the outcomes for the producer and society and what should be expected of the Environmental Quality Incentive Program (EQIP). MES is working with DNR and MDA on an environmental education initiative. Fred stated that its a significant advantage for MES and BWSR to work together.

Department of Health (MDH) - Kim Benson-Johnson reported that the assistant commissioner Mike Moen has left the agency for private industry, his position has been replaced by Kelly Johnson. Kim reported that wellhead program does not receive general funding, fee oriented only; MDH is working on options to gain funds for this program.

Pollution Control Agency (PCA) - Marge Velky reported that the Clean Water Partnership (CWP) application period is open until mid-November; $4.2 million is available for projects through CWP. The basin effort on the Minnesota River, Red River of North, and Lake Superior is moving along, proceeding on draft basin plans. PCA is working on policy legislation to help watershed districts more easily access the State Revolving Fund (SRF) loan program. They use watershed districts as a major client for nonpoint initiatives. PCA's strategic planning effort is taking shape; structure team and transition team to address the strategic plan, structure proposals will be presented to the Commissioner in mid-November.

Minnesota Department of Agriculture (MDA) - Paul Burns reported that an e-mail message was sent statewide regarding the Agricultural Best Management Practices (AGBMP) loan program application period; $7 million available for the program; $6 million has been spent to date.

Old Business

Financial Oversight Committee - Ginny Imholte reported that the Financial Oversight Committee's (FOC) charge is to "comprehensively examine BWSR's local government (LGU)

financial oversight and accountability systems and develop performance-oriented recommendations for improvements which deter problems or find them quickly when they occur". Ginny stated that the FOC has had four meetings and have examined the BWSR's authorities and responsibilities; researched the state constitution, applicable statutes, rules which BWSR has promulgated and administrative guidelines issued by the BWSR to local governments. Dwain Otte commended the committee on the final written report which summarizes the findings and recommendations of the committee. Ron Harnack stated that a work plan will be developed to prioritize and implement the recommendations of the committee.

Chair Cobb called for a break in the meeting at 10:20 a.m. The meeting reconvened at 10:40 a.m.

Policies Relating to Metro Watershed Management - Jim Haertel reported that although citizens have a right to appeal, some appeals could be meritless, trivial, or brought soley for the purposes of delay. Also, upon receipt of alleged failure to implement plans, BWSR must decide within 30 days of receipt of the complaint on whether just cause has been established (Minn. Rules Chapter 8410.0180, Subp. 2 and Subp. 3.A.). The executive director would establish just cause in failure to implement complaints. Approval of this policy would allow BWSR to react in a timely manner in accordance with Minnesota Rules. Further, precedence has been established in the WCA rules for this type of procedure in processing WCA appeals. Moved by Barb Uppgaard, seconded by Marv Tripp, to hereby delegate the to executive director the authority to determine *just cause* in failure to implement Watershed Management Organization Plan complaints, pursuant to Minn. Rules Chapter 8410.0180. Motion passed on a voice vote.

** 96-78

Sunrise River Watershed Management Organization Failure to Implement A Plan Investigation - Ron Harnack informed the board of this investigation, no action needed.

Ron stated that board members need to be informed of subsequent appeals before the board takes action on an issue. The Carnelian-Marine Watershed District Watershed Management Plan amendment will be brought up at the December meeting.

Public Road Mitigation Program - John Jaschke presented four options; the wetlands team recommended Option #4 -- to have local governmental units submit proposals based on the attached criteria. Discussion followed. Moved by Dwain Otte, seconded by Darrell Bruggman, to approve and accept Option #4 as recommended by the wetlands team. Motion passed on a voice vote.

** 96-79

Proposed Work Plan for Drainage Training - John Jaschke presented the proposed work plan for drainage training. John stated that AMC will be meeting to review the proposed work plan,

** 96-80 and may have possible minor changes. Moved by LeRoy Stensgaard, seconded by Jim Rossman, to approve the proposed drainage training work plan, based on the executive director's discretion as to the possible minor changes by AMC. Motion passed on a voice vote.

Barbara Ohman briefed members on the drainage inventory pilot to fund three to five projects using the $100,000 grant to assure that a quality/complete inventory is developed for each selected local governmental unit. This item will be brought before for the BWSR for action at the December meeting.

Barbara Ohman briefed members on the LGU delineation policy guidance and BWSR staff policy on wetland delineation involvement needed to clarify proper roles and avoid conflict of interest circumstances in WCA program implementation. This item will be brought before the BWSR for action at the December meeting.

Chair Cobb asked that staff present today introduce themselves: Mark Nelson, board conservationist in Duluth; Barbara Ohman, wetland specialist; John Jaschke, WCA program manager; Ron Shelito, northern region supervisor in Brainerd; and Dale Krystosek, board conservationist in Bemidji.

1997 Natural Resources Block Grant (NRBG) - Wayne Zellmer presented the NRBG that is formulated to assist local governments in the following programs: implementing comprehensive local water plans; administration of the Wetland Conservation Act; DNR shoreland management; and the local MPCA Feedlot Permit Program. A county may apply for any or all program components. Staff recommends approval of the 1997 NRBG and authorize staff to issue these

** 96-81 grants to counties meeting the application requirements. Moved by Marv Tripp, seconded by Ted Lovdahl, to approve the 1997 NRBG grant as presented. Motion passed on a voice vote.

Minnesota Erosion Control Association (MECA) Presentation - Mark Nelson introduced Leo Holm, President of MECA. Mr. Holm explained that MECA was created in 1988, and strives to communicate erosion and sediment control techniques and practices, and encourages the use of those practices. MECA is comprised of contractors, suppliers, engineers and government agencies; their goal is to promote erosion control through existing and new technological developments. Mr. Holm stated that MECA has appreciated the support of BWSR staff and looks forward to working together in the future. Chair Cobb thanked Mr. Holm for coming before the board today.

Convention Attendance
Association of Minnesota Counties (AMC), December 1-3, in Duluth. Members attending are: Ted Lovdahl, Glenn Annexstad and Dwain Otte.

Minnesota Association of Watershed Districts (MAWD), December 5-7, in Alexandria. Members attending are: Tim Hvidsten, Kathleen Roer.

Minnesota Association of Soil and Water Conservation Districts (MASWCD), December 8-10, in Bloomington. Members attending are: Barb Uppgaard, Marv Tripp and LeRoy Stensgaard. Chair Cobb will attend portions of all three conventions.

The next BWSR meeting will be December 18 in St. Paul.

Budget and Legislative Update - Ron Harnack reported that staff is waiting for comments back from the Department of Finance on the budget; but doesn't expect to hear anything on our budget initiatives until after the election and the November forecast. Staff is working on revisions based on input received from the EBT to date.

Advisory Comments
Minnesota Association of Townships (MAT): Franklin Denn reported that MAT anticipates a lot of new legislation and looks forward to working with the new legislators. MAT is looking at infrastructure of townships and rural areas.

Minnesota Association of Soil and Water Conservation Districts (MASWCD): Jim Schafer briefly commented on forestry issues; the federal memorandum of understanding; taking care of resources; permitting issues; and septic systems.

Don Wodek, Hennepin SWCD, went on record of stating that the nonpoint engineering grant program is a great program in the metro area; communication is essential. The MASWCD Metro Urban Committee is partnering with MECA on erosion workshops and education.

Dwain Otte stated that the National Association of Conservation Districts (NACD) board meeting adjourned yesterday. NACD is open to invitations for the October 1997 meeting; BWSR would be happy to host in cooperation with MASWCD.

Chair Cobb adjourned the meeting at 12:10 p.m.

Respectfully submitted,

Barbara Cobb
Chair

Overview of the Carlton County Water Plan Update

The Carlton County Water Plan Update includes the mandated four items, some new objectives, and retains the originally approved objectives. A water plan advisory committee has been delegated authority by the County to produce the update.

Carlton County has many unique attributes. Following are some of the more notable ones:

-mostly a rural county but is close to Duluth. Many will live in the country and commute in to work.

-Around 30 million in agriculture receipts in the county. Primarily from family type dairy operations.

-Carlton County participates in three active watershed projects: the Nemadji, the St. Louis and Big Sandy Lake.

-Carlton is a >80% wetland county (93% remaining) estimating 125,000 acres of wetland.

At this time please reference the overview for the original Carlton County Water Plan approval, (August 1990). The original overview is on the reverse side of this page and is an accurate portrayal of the County.

The Carlton County Water Plan Update is highlighted by the following features:

1. rejuvenated Water Plan Task Force to implement the plan.
2. addresses four mandated items, Wellhead Protection, Sensitive Groundwater Areas,
3. Wetland Prioritization, and Stormwater Management. First three were addressed especially well.
4. Educational effort that will focus on shoreland Best Management Practices.
5. Development of a Geographic Information System.
6. Lake Assessment Surveys.

Carlton County has addressed the concerns of the state agencies. . It is recommended that the Carlton County Water Plan Update be approved by the BWSR board.

OVERVIEW OF THE CARLTON COUNTY WATERPLAN

August 1990

On December 8, 1987, the Carlton County Board of Commissioners (Board) passed a resolution to begin development of a county water plan. The Board delegated responsibility for coordinating and writing the plan to the Carlton County SWCD (District). Rather than hire a consultant to assist with plan development, the District directed Ed Beck, District Manager, to write the plan. The District appointed a water planning task force to assist with plan development. Alex Laveau (chairman of the Board) also served as task force chairman. Carlton County prepared its plan on an independent basis (without a multi-county effort). The local review process was completed with a public hearing on June 20, 1990. The plan was submitted for state review on August 3, 1990.

County Description

Carlton County is located in the Northern lakes and forest ecoregion. The County covers about 550,000 acres (860 square miles), with 72% of the county wooded. 17% of the county is tilled for the production of agricultural crops.

The Continental Divide runs north and south through Carlton County. East of the divide, surface waters flow through the St. Louis and Nermadji Rivers into Lake Superior and eventually the Gulf of St. Lawrence. The western half of the County drains through the Kettle and Tamarack Rivers to the St. Croix and Mississippi Rivers to the Gulf of Mexico. The unstable Ontonggon clays, a legacy of Glacial Lake Duluth, combine with severe relief of 50' to 550' to cause substantial erosion and sedimentation problems in the St. Louis River watershed. The Pollution Control Agency is heading up a River Assessment Project (RAP) on the St. Louis River to develop a plan of action for dealing with water quality degradation in the river and its estuary - St. Louis Bay.

Carlton County has 74 lakes, totaling 10,000 acres. Concern has been expressed regarding septic system impacts on water quality on a number of lakes in the county. Many of the lakes are highly developed, yet little surface water quality information exists.

Groundwater resources in the county are of adequate supply, with the Onanegozie sand plain aquifer being the most common source of domestic water supply. Limited tests indicate ground water quality in the aquifer is generally good. However, the county is concerned that the aquifer is highly susceptible to contamination.

Staff Review

BWSR field staff met with the Carlton County water plan coordinator to discuss plan review on June 20, and July 31, 1990. BWSR field staff will be meeting further with county representatives regarding the addressing of agency comments. If any significant review issues develop, the BWSR will receive an update on those review issues at the September board meeting.

OVERVIEW 1996
Kanabec County Comprehensive Local Water Plan Update

BACKGROUND

The original comprehensive local water plan was developed from June 13,1990--with the passing of a resolution to develop a comprehensive plan--to November 5, 1992, when Kanabec County provided the Board of Water and Soil Resources (BWSR) with its final plan. On December 16, 1992, BWSR approved the plan. On December 23, 1992, the Kanabec County Board of Commissioners also approved the plan implementation.

Local Comprehensive Water Plan Update

Kanabec County passed a resolution to update their plan on November 23, 1994. After a series of task force meetings, they completed the plan and began the 60-day review on September 19, 1995. Finding a need for further discussion regarding the coordination of the water plan update and county wide zoning, they requested an extension until December 31, 1996. The Kanabec Soil and Water Conservation District was delegated by the County to administer the Local Water Plan and the update process in coordination with the local task force and county commissioners.

County Description

Kanabec County is located in East-Central Minnesota in the State's transition zone. Approximately 45% of Kanabec County is in agricultural land use. Agricultural land use is concentrated in the southern half of the County. The northern half of the county is dominated by forests and wetlands. The number of wetlands in the county put it in the 80+ range of presettlement wetlands remaining.

Surface water drainage flows from North to South and West to East through the Snake, Rum, and Kettle Rivers. The Snake River watershed accounts for 92% of Kanabec's surface water drainage, covering 306,496 acres. A petition was filed in June of 1990 by residents in the Snake River Watershed for the establishment of a Watershed District. Fifteen hearings or continuances of hearing were conducted. Prior to the issuing of the administrative law judge's recommendation, a stipulated agreement was signed by the parties. The agreement provided that BWSR and all parties involved would put established proceedings on hold for one year, pending the completion of the county water planning process in the affected counties. Aitkin, Mille Lacs, Pine, and Kanabec Counties, which are included in the Snake River Watershed, have approved plans and are working under a joint powers agreement. Kanabec County has worked closely as a Joint Powers Board (JPB) member to make the Snake River Joint Powers Board a success.

Plan Update Review

The second generation of plans encouraged counties to develop and expand on partnerships, update goals, objectives, assessments and take a strong role in implementation of practices on a watershed basis, which would be in terms of measurable results.

In addition to the requirements under local water planning Statute MS 103B, counties updating their plan are encouraged to include stormwater management in the goals and objectives and must address new mandates, including wellhead protection, sensitive groundwater areas, and high priority wetland areas.

The Kanabec County Water Plan Update includes the new mandates. The update reflects partnerships with neighboring counties, including the Snake River JPB. Kanabec County has effectively coordinated their local water plan regarding high priority BMPs implementation with the JPB. Goals and objectives of these BMPs included waste management systems, erosion and sedimentation control both in the agriculture sector and lakeshore, fencing of cattle from riparian sources, education initiatives, monitoring and data collection just to mention a few. In addition, cooperative soil survey is being conducted with Mille Lacs County.

BWSR staff has reviewed the Kanabec County Comprehensive Local Water Plan update and found that the requirement of law and rule have been satisfied under MS 103B and 9300.

COUNTY WATER PLAN UPDATES OVERVIEW
FOR
STEVENS & **TRAVERSE** COUNTIES

(FOR BOARD ACTION)

Both Stevens and Traverse Counties original water plans were developed in the late 1980's in concert with the fifteen county Northwest Joint Powers Board. Both plans were approved and locally adopted in 1990. These five year updates were prepared locally. Both counties submitted a Plan Update to the BWSR on August 26, 1996, at which time the final ninety-day review process began.

The BWSR Water Plan Review Committee will meet December 5th with BWSR staff and representatives of Traverse County to review and discuss the Plan Update.

The BWSR Water Plan Review Committee will meet December 13th with BWSR staff and representatives of Stevens County to review and discuss the Plan Update.

The BWSR Board will act, December 18th, on the recommendations of the Water Plan Review Committee for both the Stevens and Traverse County Water Plan Update.

Minnesota Board of Water and Soil Resources
One West Water Street
Suite 200
St. Paul, Minnesota 55107

NICOLLET COUNTY COMPREHENSIVE LOCAL WATER PLAN (FOR BOARD ACTION)

Nicollet County has a Comprehensive Local Water Plan (Plan) which was approved by the Minnesota Board of Water and Soil Resources (BWSR) on October 24, 1990. Nicollet County submitted a Plan Update to the BWSR on July 8, 1996. The final, ninety day state agency review process began on July 22, 1996.

On August 28, 1996, a written overview of the Nicollet County Plan Update was presented to the BWSR Board for their information and review.

On November 6, 1996, the BWSR Board Water Plan Review Committee met in the City of Redwood Falls with BWSR staff and representatives from Nicollet County to review and discuss the Plan Update.

Attached is a copy of the Executive Summary section of the Nicollet County Plan Update which briefly describes some major accomplishments in the past five years and a brief outlook for the upcoming five years.

In addition to the water planning requirements established under Minnesota Statutes 110B (now 103B), counties updating their Plan are also required to include: objectives for wellhead protection, sensitive groundwater areas and stormwater management; high priority wetland preservation areas designation; a watershed priorities assessment; an executive summary.

BWSR staff has reviewed the Nicollet County Plan Update and find that all relevant requirements of law and rule have been fulfilled and is in conformance with the requirements of Minnesota Statutes 1990, 103B and Minnesota Rules Chapter 9300.

OVERVIEW OF THE **YELLOW MEDICINE COUNTY** COMPREHENSIVE WATER PLAN FOR THE DECEMBER 18, 1996 BWSR BOARD MEETING

INTRODUCTION

Yellow Medicine County is located in southwestern Minnesota on the western border of the state. It is in the state's prairie region with a county population of approximately 13,650. There are nine incorporated cities and villages in the county, Granite Falls is the county seat and largest city having a population of 3,451.

Yellow Medicine County is a member of the Southwest Water Plan Coordinators. This group meets regularly to share information and coordinate planning and implementation activities.

Yellow Medicine County began its original planning in November 1988. The development of the plan was part of a multi-county effort under the direction of the Redwood-Cottonwood Rivers Control Area. The BWSR approved plan was adopted by the county in December 1990.

This recent planning revision process began in February of 1995 under the direction of the Yellow Medicine County Zoning, Agriculture and Environmental Office.

PHYSICAL DESCRIPTION OF COUNTY

Yellow Medicine County has a total area of 485,120 acres or 758 square miles. The county lies mainly on an undulating glacial ground moraine. The soils are generally dark colored and loamy, formed in glacial till or in material sorted out of the till by water. The original vegetation of the county consisted primarily of tall and mid-grass prairie and prairie wetlands. This native vegetation has now virtually all been converted to, or has been influenced by agricultural activities. Land use in the County is primarily confined to agricultural production. Corn, soybeans, small grain, hay crops, and livestock production are the major activities. A substantial portion of the agricultural land has been drained through an extensive system of county ditches and tile lines to enhance crop production. Such drainage has eliminated over 80 percent of presettlement wetlands.

The **topography** of the county results from several prominent geologic features. The Coteau des Prairies located in the western part of the county, is a wedge shaped plateau which drops in a steep narrow escarpment to a lower flat to gently undulating plain in the eastern two-thirds of the County. The escarpment between the plateau and the lower plain drops in a northeasterly direction from the coteau with a uniform slope that is about six miles wide. The highest elevation point (1739 feet) is near the southwestern corner of the county. The lowest point, which is where the Minnesota River flows out of the county is about 860 feet. The Minnesota River and its valley is the other significant landscape feature, defining a portion of the county's eastern boundary.

All streams and rivers within the County eventually discharge into the Minnesota River. The western third of the County is drained by the **Lac qui Parle River Watershed**, the central portion by the **Yellow Medicine River Watershed**, the extreme southeastern by the **Redwood River Watershed** and the remaining lands drain directly into the Minnesota River.

The **geology** of Yellow Medicine County helps to define the available ground water resources. Precambrian rocks underlie the entire County. In general, the bedrock is less than 300 feet below the surface across the County except in the western portion where it is closer to 400 feet. The upper portion is weathered, especially where it has been protected from glacial erosion by overlying Cretaceous sediment. Outcrops of these crystalline rocks however do occur throughout the Minnesota River Valley, particularly in the vicinity of Granite Falls. These rocks are considered to be among the oldest rocks in the world having been exposed to erosion one hundred to two hundred million years ago.

Sedimentary rocks of Cretaceous age lie directly above the Precambrian rocks throughout most of the County. These formations consist mostly of shale and fairly continuous beds of siltstone and sandstone. Thickness ranges from about 125 feet in the central region of the County to over 400 feet in the west.

Quarternary glacial drift is the youngest major hydrogeologic unit of the County. It is present throughout the area and is composed mostly of clay till containing thin discontinuous deposits of sand and gravel.

Sand and gravel deposits, buried at different depths in the glacial drift, are the most accessible and widely used aquifers in the County. Opportunities for development of a good water supply are better in thick sections of the drift because they contain more aquifers. On the lowland plain, the drift is generally too thin to be a reliable source of water. Overall, groundwater supplies throughout the County are adequate to meet present demand. Although supplies may be adequate, their distribution results in periodic shortages in many areas of the County.

PLAN ACCOMPLISHMENTS

Yellow Medicine County in cooperation with other local units of government and county residents have implemented many activities identified in the 1990 Plan. Some accomplishments are:

1. Established a Water Quality / Water Quantity newsletter.
2. Provided leadership for various water quality education initiatives.
3. Provided leadership for waste pesticide and household hazardous waste collections for county residents.
4. Developed and initiated a water sampling program for rural wells.
5. Initiated an abandoned well sealing program.
6. Continued implementation of various Best Management Practice installation for erosion control.
7. Allocated funding for the Lands For Conservation Program.
8. Allocated funding for flood retention structures.

STAFF REVIEW

The Plan Update adds new information to a revised data and assessments section and organizes implementation into four goals which include: **PROTECT GROUND WATER QUALITY, PROTECT AND ENHANCE SURFACE WATER QUALITY, PROTECT SURFACE AND GROUND WATER QUANTITY, IMPROVE SURFACE WATER MANAGEMENT TO DECREASE FLOODING.** Each Goal includes Objectives and Priority Actions. The implementation plan further defines the identified actions to include the year(s) when they will be implemented, an estimated cost, and the agencies involved.

The Plan Update identifies many priority Actions which include providing technical assistance; promoting Best Management Practice implementation; provide cost sharing programs and also seek other funding opportunities; education, information and demonstration activities; continue inventory activity; increase monitoring of both surface and ground water resources; increase data base development; review and enforcement of ordinances and regulations; investigate new ordinances; promote and increase recycling and waste collection programs; continue flood control efforts.

The Yellow Medicine County Water Plan Update was submitted to BWSR for final state agency review on October 3, 1996.

FINAL REPORT

BWSR-LGU FINANCIAL OVERSIGHT COMMITTEE

September 25, 1996

I. Introduction

The Board of Water and Soil Resources appointed a Financial Oversight Committee at its February 28, 1996 meeting. The charge of the committee was to "comprehensively examine BWSR's local government (LGU) financial oversight and accountability systems and develop performance-oriented recommendations for improvements which deter problems or find them quickly when they occur". Recommendations of the committee are to be made to the full board.

The BWSR members of the committee are:

Ginny Imholte, Committee Chair
Ted Lovdahl
Jim Rossman
Barb Cobb (ex-officio)

In addition a number of individuals and organizations volunteered to be advisors and participants with the committee:

Marilyn Bernhardson, MN Assn. of Soil and Water Cons. Districts
Vern Johnson and Ray Bohn, MN Assn. of Watershed Districts
Judy Goodman, MN Department of Finance
Ramona Skogman, MN Department of Finance
Tom Karlson, Office of the State Auditor
Renee Redmer, Office of the Legislative Auditor
Ron Shelito, BWSR staff
Doug Thomas, BWSR staff
Matt Moore, BWSR staff
Sara Johnson, BWSR staff
Tom Schwanke, BWSR staff
Jim Birkholz, BWSR staff

The committee held 4 meetings between April 4 and July 12. The committee examined the BWSR authorities and responsibilities for oversight of state grants which it makes to local governments. Grants are made primarily to soil and water conservation districts (SWCDs) and counties. It also examined other fiscal responsibilities for which BWSR has ties to local governments such as watershed districts (WDs), watershed management organizations (WMOs), and joint powers associations (JPAs). As part of this effort, staff researched the state Constitution,

applicable statutes, rules which BWSR has promulgated and administrative guidelines issued by the BWSR to local governments. The draft report was reviewed by committee members during the month of August. This report summarizes the findings and recommendations of the committee.

II. Findings

The committee found that it was very valuable and informative to have BWSR members, BWSR staff, representatives of local government, representatives of audit agencies, and Finance staff around the same table. The sharing of perspectives helped solidify the understanding that all the organizations share common goals of effective, accountable and efficient administration of government programs at all levels. The committee found that:

1. The existing financial oversight systems used by BWSR to insure that local governments comply with statutory and contractual requirements have been put together somewhat piecemeal over the years. As new programs were added it was sometimes assumed that an existing oversight system would provide all required information for the new program. Workload decisions have limited the amount of time BWSR staff spends on followup with local governments. Grants administered by BWSR to local governments have increased in number and local government budgets are becoming larger and more complex. While the existing oversight systems are not broken (problems are rare), they are fragmented and incomplete.

2. There is a great amount of misunderstanding within the BWSR/LGU delivery system regarding the purpose of a financial audit--what an audit is and what an audit actually accomplishes. There is a tendency for LGUs and the general public to view financial audits as an absolute check and verification of accuracy on all aspects of financial operation. This assumption is inconsistent with the established guidelines for auditors. While financial audits may uncover fraud, they are not specifically designed to do so. Generally speaking, LGUs would benefit from giving emphasis to good internal accounting controls including board oversight in day to day program administration rather than rely on an audit to detect problems.

3. BWSR must address the recommendation of the Legislative Auditor that BWSR exercise more oversight of grants it makes to local governments.

4. The use of electronic bookkeeping and reporting tools offers great potential for effective and efficient oversight. However, major obstacles exist due to the different computer systems used by various state and local offices and their limited access to

electronic linkages.

5. BWSR financial oversight policies need to be updated and communicated to be more useful in specific decisions of the BWSR Board and staff.

6. The respective roles of BWSR and LGUs in providing financial oversight and program accountability are not always clear.

7. The BWSR has not formalized policies regarding reporting deadlines and annual report contents for joint powers boards of SWCDs.

8. The BWSR has a responsibility to the general public to ensure the appropriate use of state grant funds that it administers to local government units.

9. Current statutory requirements for matching provisions on certain BWSR grants, especially in-kind match, generate needless work for LGU and BWSR staff. Tracking compliance with these requirements produces few if any accomplishments or results.

III. Recommendations

It is not the intention of the committee to be overly prescriptive in its recommendations but, rather that the following recommendations will be the catalyst for change. The BWSR Board and staff will be responsible to make decisions and implement specific financial oversight system updates. A cooperative approach with local governments and other oversight agencies will be essential to effectively implement the recommendations.

General

1. Updating financial oversight controls should be accomplished while examining the cumulative effect of all controls rather than updating program by program.

2. Local government units receiving grants from the BWSR should be required to report in writing at least annually on the financial and compliance aspects of their use of the grants. BWSR may require more frequent reporting when a specific program warrants it. BWSR staff should document verbal and informal interim visits with LGUs regarding grant compliance. A checklist should be developed for BWSR staff use to maximize the effectiveness of verbal and informal visits. The checklist should comply with the new Local Government Annual Reporting System (LARS).

3. The BWSR should establish a policy regarding its treatment of state funds which are transferred from one local unit of government to another. The policy should clarify that state funds lose their identity as state funds once they are disbursed from the local unit which was granted the funds by BWSR. The local unit of government which received the funds from BWSR is responsible for complying with all requirements of the grant agreement.

4. The BWSR should expand the use and function of currently required annual workplans, budgets and reports received from local governments as a condition of receiving state grants. A checklist should be developed for BWSR staff to use in reconciling the proposed workplan with the accomplishments in the subsequent annual report.

5. The BWSR should develop and use a matrix to track the various state grants being administered by LGUs. This would improve the ability of BWSR field staff to exercise appropriate oversight for state grants.

6. The BWSR should seek the necessary statutory changes to eliminate matching requirements as a condition of receiving certain grants. Where appropriate, limits should be placed on the amount of grant funds which can be used for overhead purposes (eg, cost share limitation of 20%). If it is not possible to eliminate matching requirements, in-kind matches should be negotiated between BWSR and the LGU receiving the grant.

7. The BWSR should implement better internal accounting controls to ensure that all funds owed by LGUs are paid back to the state in a timely manner.

8. The BWSR should consider an additional position to monitor LGU compliance with grant requirements.

9. The BWSR should clarify its role in grant oversight and audits to the LGUs it serves.

10. The BWSR should establish a policy for spot checks and site visits conducted by staff as it relates to grant compliance.

11. The BWSR should communicate its implementation of the recommendations of the Financial Oversight Committee to LGUs via training sessions and other appropriate meetings (more than just a memo).

Soil and Water Conservation Districts

1. The BWSR should amend its policy establishing SWCD reporting requirements for state grants to require:

- revised due dates for the Annual Accomplishments Report (using the new BWSR Local Government Annual Reporting System), Annual Plan of Work and Annual Financial Statement, with the concurrence of the Minnesota Association of Soil and Water Conservation Districts;

- that financial reports for all grants to SWCDs shall be filed with BWSR at least annually via the Annual Financial Statement which BWSR will revise;

- penalties for consistently incorrect reports; and,

- the SWCD Annual Financial Statement to include a description of the SWCD's system of internal financial controls. It should include the division of duties of SWCD board members and staff, and reconcile their current system with any recommendations made in the previous financial audit report.

- Further, the BWSR should update and clarify its policy on penalties regarding late SWCD plans and reports.

2. The BWSR should develop recommended systems of internal financial controls for small SWCD offices (one to three persons);

3. BWSR and the State Auditor should work together to clarify the purpose and scope of required SWCD financial audits. They should jointly distribute information to districts including the recommended contents of audit engagement letters which will help ensure effective entrance and exit interviews between districts and auditors. This information should further help SWCD boards identify any financial management, internal auditing, and compliance needs which may go beyond the scope of a financial audit.

4. The BWSR should update its policies to require timely completion of SWCD financial audits. The policy should include deadlines for starting and completing audits.

4. The BWSR should annually review its current policy for frequency of SWCD audits. The committee recommends keeping the current policy in place which requires a financial audit whenever SWCD cumulative revenues exceed $300,000. At a minimum a limited scope audit must be done at least every fourth year.

5. The BWSR should clarify its policy regarding SWCD audits. The intention is to, by mutual agreement, implement an audit process which satisfies both BWSR and the Office of the State Auditor's

statutory responsibilities for performing SWCD audits.

6. The BWSR should pursue, in cooperation with the Minnesota Association of Soil and Water Conservation Districts (MASWCD), implementation of an updated SWCD Electronic Accounting Package. The SWCD Accounting Coordinator should compile specifications for a package which should include the ability to generate needed reports and compatibility with the new BWSR Local Government Annual Reporting System. The status of computer equipment in SWCD offices should be assessed to determine any upgrades required to run a new package. A Request For Proposal should be published to identify potential vendors.

7. The BWSR should, in cooperation with MASWCD, prepare a list of "Core Abilities" for persons doing SWCD bookkeeping. This list should be used as a reference by districts to hire staff qualified to do bookkeeping and to identify needed training for existing staff.

8. The BWSR should annually distribute an updated list of available training and publications which would be helpful to SWCD bookkeeping staff. The BWSR should update the "Treasurer Responsibilities" in its SWCD Supervisor Handbook.

9. The BWSR should update its policies regarding the Cost Share program for SWCDs which are not in compliance with program requirements. The policy should include guidance for developing a payment plan to reimburse the state. It should require interest payments for slippage funds held by the district for excessive periods of time.

10. The BWSR should develop a policy regarding reporting requirements of joint powers boards of SWCDs which receive BWSR grants.

<u>Counties</u>

1. The BWSR should change the Natural Resource Block Grant agreement to require that the grant be audited every year as part of the State Auditor's financial audit of each county. The grant agreement should be amended to include an "audit checklist" which would be a guide for auditors.

Watershed Districts and Metropolitan Watershed Management Organizations

1. The BWSR should establish a policy to implement M.S. 103D.355. This statute requires the BWSR in consultation with the State Auditor to establish an amount of cumulative watershed district revenue or expenditures which would trigger the annual audit to be done by a certified public accountant or the State Auditor.

2. The BWSR should develop an improved annual reporting system for WMOs which includes a standardized format for reporting financial activities.

3. The BWSR should seek full implementation of rule requirements for metropolitan watershed management organizations' financial reporting and auditing. The BWSR should allow limited scope audits for WMOs with small budgets.

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SRF MEETING
CIVIC CENTER, ST. CLOUD

November 26, 1996

Meeting called to order at 9:45 a.m. by Greg Larson. He stated that the meeting would cover what's been happening and to seek advice from the JPBs about where the program should be going and how to get there.

Kathleen Roer of the BWSR Board was introduced. Ms. Roer welcomed those attending and stated that she appreciates their interest in the program. Ms. Roer said that topics to cover were:

1) Problems in administrating the program and said that we were here to discuss them and to try to help out.
2) To address different needs of various areas of state.
3) Proper allocation of resources available to program.

BWSR will try to obtain additional funding.

D'Wayne DeZiel: JPB has flexibility, the responsibility of the JPB board is to sell services to districts. Boundaries can be changed if a JPB feels it needs to be. It is up to the JPB to make the program work in its area.

Greg Larson introduced Ron Harnack. Ron gave the perspective of BWSR on the JPBs. A handout with a flow chart showing how the revolving fund works was passed out.

Ron stated that there have been some problems with communication. BWSR and the JPBs need to:

1. Reopen lines of communication,
2. Understand the roles and relationships,
3. Know where we go from here, and
4. How do ensure that we know each others expectations?

Ron gave a background on how the JPB was set up in areas (the legislature and others wanted a watershed basis). Area size not equal. Consideration given to the workload and capacity of the districts involved. The engineer/technician teams need to work with districts not independent of them.

Funding was envisioned to be 100%, but would not go beyond two years (biennial appropriations). Funding of the program needs to be justified, it is not automatic. Cost share funds are the only funds that rollover. No money is intended to be left over at the end of each grant cycle; it should be put on the ground now for conservation needs, and not put in saving account.

With the reduction in NRCS staffing, one objective was to augment NRCS engineering sign-off capability and have coordination and cooperation with the NRCS.

Some items to be considered are:

1) How to best deal with grant cycles.
2) How do we create equity (but not necessarily equality) in distribution.
3) Understanding of eligible costs.
4) Understanding of what happens if we do not get anymore state funding.

BWSR is asking for funding, but it is not a Governor's initiative at this time. Districts and MASWCD may need to pick it up themselves.

Ron gave some insights on how the loan dollars have been distributed around the state using overheads. The money is concentrated in the southern part of state (feedlots, and other ag BMPs priorities). Showed overhead of NRCS priority areas for EQIP program. Expect funding concentration in south and central parts of state. The reason being that 75% needs to be in priority areas, 50% of that needs to be in animal agriculture. We need to strive for equity and parity in non-point engineering assistance grants, not equality.

ADMINISTRATION SESSION:
Sara Johnson: Annual financial statement--financial statement is the same for the JPB as for SWCD, only four JPBs sent in financial reports--all need to send them in for period ending December 31, 1996. Sara handed out a form for the JPBs to fill out. The fiscal agents of the JPB will receive the form also. Copies are to be sent same as SWCD.

Statement of Revenue and Combined Balance Sheets were handed out. Combined balance sheet is almost the same as the SWCD. If something you would like on it but it is not on it now, please let Sara know.

Statement of Revenue: Another category can be added if desired (Sara can do it, or JPB can do it).

5% of the allocation can be used for administration, including supervisor compensation. It was asked if a line could be put in for in-kind services on Statement of Revenue. The JPB can put in additional lines but BWSR needs the totals.

Jim Birkholz stated that the Financial Oversight Committee has discussed the in-kind issue. In-kind dollars should not be a bottom line item.

Report packets and guidance will be sent out about the week before Christmas. The JPBs will get new forms, instructions, and worksheets sent separate from the SWCDs.

Sara gave some statistics on JPB employees salaries. The range for engineers is $37,000-$43,000 with the average $40,000. The insurance package is good, about $5,000-$10,000 per JPB. Technician salaries range from $21,500 to $32,500, with the average $26,700.

The JPBs are not to take out money for unemployment, if money is left it needs to be considered in the next year's grant. Sara discussed the unemployment fund. There was a discussion on unemployment payment/liability. Jim Birkholz stated that we need to work within the system to work out the unemployment issue and not use funds meant for conservation work. There is no system in place today. Paying the insurance is part of the cost of doing business. FY 98 is our opportunity to address this. Jim also stated that we should get a mailing to JPBs about unemployment insurance.

Wayne Zellmer, Grants Coordinator for BWSR: The challenge grant's purpose is to provide additional engineering/technical assistance to landowners to implement conservation practices. Applications are due January 2. Some things considered

when selecting applications will be the timetable, grant period, applicant eligibility, application format, local cash match (not required but will give higher priority).

What is eligible for funding: a) To pay cost for additional engineer or technician, b) Employment cost for existing staff (FY97 only), c) Additional equipment, d) For JPB staff to obtain additional training, e) Purchasing or leasing transportation, f) Consultant services (only if engineer and tech are employed).

Don Wodek, Hennepin County Area 8: Don suggested one district be employer and not the JPB. Advantages are: some benefits are better, standard polices are in place, benefits are in place, savings on work compensation, incorporated into annual plan, ease of supervision, reduced liability, ease of prioritization. There is approximately $8,000 savings by having one employer. Hennepin County helps with equipment, etc.

ENGINEERS AND TECHNICIANS SESSION:
Al Kean reviewed 11-6-96 memo about project reviews as a component of a quality assurance plan for the non-point engineering assistance program. Purpose is threefold: 1) ensure BWSR and legislature that sound technical assistance is being provided; 2) identify and share good ideas and procedures and help maintain reasonable statewide consistency; 3) provide ongoing method to identify technical policy, training and coordination issues/needs. The hiring of registered engineers for this program allowed the BWSR to <u>not</u> be involved in review and approval of each individual project. Periodic project reviews will be a program oversight function, not individual project review and approval. Responsibility for individual project design and approval will remain with the JPB. Peer review of design work, however, is strongly encouraged. John Brach reaffirmed his previous offers for NRCS area engineers and the NRCS regional technical center to provide peer review and assistance, if requested.

Some questions and discussion about what periodic project reviews would and wouldn't be. Ron Harnack clarified the responsibility of the BWSR for technical as well as administrative oversight of this program administered by the BWSR.

SWCD staff involved in the project management role would also be asked to participate in project reviews along with the JPB project engineering staff. Project reviews will be done in conjuction with periodic visits by Justin with JPB staff. Justin will be contacting JPB staff to schedule periodic and project review visits.

Justin Jeffery provided each JPA a packet of draft training system materials for the engineering discipline. Same packet as was sent to all SWCDs, NRCS area and field offices and BWSR offices. Packet includes a course list and descriptions for engineering discipline courses to be provided at the area and state level. New course list is being put into the Employee Development Database (EDDB). Al indicated three purposes for EDDB: 1) training needs inventory; 2) create training plans (i.e. individual development plans (IDPs)); 3) maintain a training history for individuals.

Question raised about courses being geared to people with different levels of experience. Justin explained that different levels of courses were identified

along with prerequisites for each course.

Concern expressed about support and funding being available for JPB staff to attend training. Ron Harnack expressed BWSR intention to help ensure JPB staff receive training needed to provide sound technical assistance.

Justin provided each JPA a copy of NRCS TR-74, Lateral Earth Pressures, and some additional technical reference material.

John Brach reviewed a proposal to create a list of technical experts within SWCDs, NRCS and BWSR. Also provided a summary of potential roles and responsibilities, all of which would be voluntary. Potential roles include assistance with training, review and development of practice standards, technical consultation and technical investigation teams. List development is being coordinated by the partnership Technical Advisory Committee. This proposal has been discussed with MACDE directors.

Experts would be identified by nomination and invitation. Haven't determined criteria to decide who to invite to serve. Will be a good opportunity for individuals to utilize their expertise to help the partnership and to sharpen their own expertise. Employers would have to be willing to let individuals serve. Any request to serve could be declined if the timing didn't work (i.e. being on the list of technical experts wouldn't mean that someone had to serve when asked).

Al briefly raised questions about workload prioritization and asked engineers and technicians to suggest any ways that BWSR or the TAC might help to address for SRF and other workload. The new EQIP program could increase feedlot technical assistance workload substantially and associated need for prioritization and directing of some workload to private engineers. Provided JPB staff with paper John wrote to Feedlot and Manure Management Advisory Committee seeking input for NRCS prioritization policy. Asked JPB staff to send any comments, suggestions or needs.

GENERAL SESSION:
FY 98 funding: BWSR is committed to fully funding technical staff and is seeking $175,000 per year of additional funding. Whether BWSR can lead this initiative depends on whether the Governor approves it as one of "his" initiatives.

BWSR needs to know who the contact person is for each JPB for general mailings. E-mail not workable for JPB chairs and some host districts some of the time. Mailings should be sent to host district and chairman of JPB board, and clarified by the cc's who the mailing was sent to.

Greg suggested beginning process to determine allocation procedure and contingency plan if don't get additional program funding -- one rep. and one alt. from each JPB.
Name of representative and alternate to be named by January 1, 1997 to board conservationist. May need three to four meetings to wrap-up the effort by May 1, 1997. Issues:

- -not enough $
- -re-drawing boundaries of JPBs
- -workload issues

-"equity"
-eligible costs
-base allocations
-local contributions
-SWCD participation

JPBs could have two people representing JPB--one supervisor and one staff. There is concern that there should be a meeting where more people are involved--informational meeting with more board members, need better public relations/outreach. D'Wayne DeZiel said they could do area informational meetings. There could be a file on e-mail for updates. It is also important that counties know what is going on if they are to give financial support.

BWSR needs a contact person from each JPB regarding unemployment. BWSR will obtain information about unemployment insurance and send it out.

General Questions from the audience:

Prioritization: If BWSR can help with prioritization, let Al know. There is a need to work within own group. Is there a role the advisory committee can do to help SRF people?

How do we begin the process to develop the FY 98 (and beyond) program?
-One representative and alternate from each JPB
-Meet with BWSR staff as needed (MASWCD & MACDE)
may not be grants team member
-Deadline 5/1/97 for meetings

Al Kean stated that the engineer and technician can help support capacity of all districts. How do we do a better job of marketing what these teams can do? Only two districts are not members of JPBs, but he hears that many more are not being active, or interested in participating.

Is there SRF money going around second time yet? Some that has gone out in loans has been repaid from FY 95 money and is ready to go out again in FY 97. There are no reported problems.

Has loan money that was not used the first time been recycled? Approximately what was not used in 95 went out in 96? Dwight Wilcox, MDA, indicated that what has not been used will be added to this year's (approximately $8.3 million).

How do we deal with a shortfall in funding? What is the alternative to the engineer/technician team? In JPB area 9, EIT as engineer and technician is the team. Al supports registered engineer and technician team. The committee can consider. Ron Shelito asked why not use consultants? Jean Diggins asked why Al believes hiring an engineer is critical. Al believes there is more than enough workload throughout the state to justify JPBs having their own engineers and technicians. Registered engineers give SWCD JPBs much more capability for project design, review and sign-off, own staff develop stronger working relationships and sharing of expertise, don't have to compete with consultants' other priorities, can help get the most from consultants when used by landowners or JPB. Trying to find some rational way to direct some of the work to consultants if EQIP and

other funding would create more workload than SWCDs and NRCS can handle. Consultants are being used now, especially for feedlots, as some farmers do not want to wait. There are three JPBs with staff vacancies (2 technicians, 1 engineer).

Is there a listing for engineers or consultants who have designed ag waste type work? MDA may have such a list in their Feedlot and Manure Management Directory.

Greg: reporting is important when we go to the legislature--they want to know what have you done. Some JPBs have a good spreadsheet for reporting. A progress report form was handed out for 95-96. It was explained by Tom Fischer. It should be filled out and returned to Wayne Zellmer by Dec. 31, 1996 and should be put together by the host SWCD.

A discussion on reporting by LARS followed. There will be some duplication in reporting with the LARS system. There shouldn't be much duplication except in land and water treatment. As we get feedback on the program, there will be some changes. Users are asked to keep track of glitches and get back to the board conservationist so glitches can be worked on.

Distribution of the LARS disks was discussed. Do counties get their own disks and who collects the information? Ron Shelito said that the board conservationist will work with Local Government Units regarding the use of LARS disks.

Ron Harnack said that reporting is important when we go in for funding. The legislators want to know what are we getting for our buck, what is the amount of reduction of phosphorus and sediments. They want the biggest bang for the buck, and to know that we are doing a reasonable job of prioritization.

Meeting adjourned about 3:00 pm

SUMMARY OF THE **YELLOW MEDICINE RIVER WATERSHED DISTRICT**
REVISED WATERSHED MANAGEMENT PLAN

DECEMBER 18, 1996 BWSR BOARD MEETING

INTRODUCTION

The Yellow Medicine River Watershed District is located in southwestern Minnesota, encompassing 685 square miles. Lands within the District are distributed in the following counties; Lincoln (39%), Lyon (23%), and Yellow Medicine (38%).

The Yellow Medicine River Watershed District was established on August 27, 1971. On October 31, 1972 the District adopted its original Overall Plan.

This recent planning revision process began in 1994 under the direction of the Yellow Medicine River Watershed District Managers and their plan consultant - George Holcomb, retired University of Minnesota Extension Specialist.

PHYSICAL DESCRIPTION OF THE WATERSHED DISTRICT

There are **three distinct topographical areas** in the District; the upland plain, the transition slope or escarpment, and the lowland plain. The headwaters of the watershed originate in the southwestern part of the Watershed District on an undulating upland plain, the Coteau des Prairies. This occupies approximately one-third of the area in the District. The transition slope from the upland to the lowland plain is approximately 6 miles wide during which the elevation drops 300 feet. The remainder of the area eastward, consisting of about two-thirds of the District, is flat to gently undulating except near the Minnesota River valley. There are extensive floodplains along the main stem and branches of the Yellow Medicine River. Stream valleys are shallow and drainage is poor on both the upland and lowland plains. On the transition slope and on the slope to the Minnesota River Valley, the gradients are steep and stream valleys are deep and gorge-like, resulting in rapid runoff of water.

The **Yellow Medicine River** begins at Lake Shaokatan in Lincoln County at an altitude of 1750 feet, flowing northeast for approximately 81 miles before entering the Minnesota River below Granite Falls at 860 to 870 feet above sea level. The river has three major banches, the North Fork, the main stem, and the South Fork. There are two major tributaries to the river; Mud Creek and Spring Creek.

The **geology** of the District is shaped by the Coteau des Prairies. This prominent feature forms a watershed boundary between the Big Sioux River of the Missouri Basin on the west and the Minnesota River of the Mississippi Basin to the east. It consists of the Altamont-Gary moraine and is composed of very resistant material that split the continental glacial ice sheet thousands of years ago, deflecting the ice sheet to either side of the moraine. The Yellow Medicine River and its tributaries flow down the northeast slope of the Altamont-Gary moraine and several lesser glacial moraines.

Except for small areas of granite outcrops, there is cretaceous shale underlying the glacial drift throughout the watershed. The drift, consisting mainly of loamy glacial till with associated deposits of sand and gravel, is several hundred feet thick in the western portion of the District. It varies from 100 to 200 feet on the plain below the escarpment.

The **population** of the District based on 1990 census data is estimated at approximately 8,500. This reflects a continued loss of population in the area (1970 census estimate was 10,000). There are nine municipalities located within the District.

The original vegetation of the area consisted primarily of tall and mid-grass prairie and prairie wetlands. Today the **land use and economy** of the District is devoted primarily to agriculture. It is estimated that 82 percent of the land is used for crop production (primarily corn and soybeans), 9 percent is pasture land, and slightly under 1 percent is forested. The CRP and RIM programs are an important land use cover in this watershed with significant acres having been enrolled. Other landuses include 6500 acres of state wildlife management areas and an estimated 3000 acres in urban area.

Surface waters in the District have significantly been impacted since the time of settlement, drainage systems have eliminated many of the lakes and more than 80 percent of the original wetlands. The twenty lakes which do remain are typically shallow but do offer some recreational value and diversity in the landscape. A real success for the District has been a recently completed Clean Water Partnership Project on Lake Shaokatan. In addition to these natural lakes there have been 10 reservoirs with permanent pools of water constructed under sponsorship of the District. The main stem and major tributaries of the Yellow Medicine River were previously described.

Constructed drainage systems are also a significant feature in the District. There have been nine legal drainage ditches constructed in the District since it was established. Prior to District establishment, there were 42 county and 16 judicial systems constructed within its boundaries.

Ground water in the District is generally found at depths of less than 200 feet, however except for very limited areas, the supply of ground water is low to nondependable. Studies also note that the poor quality of the majority of the ground water is due to dissolved minerals. Due to these difficulties the majority of the land area in the District is now serviced by the Lincoln-Pipestone Rural Water System.

STAFF REVIEW

The revised plan provides an **updated inventory of the watershed setting and physical features, and describes the water resources and water use** within the District. **Existing and potential problems** of the District are then identified and described in detail. The plan identifies flooding, drainage, erosion and sedimentation, and water quality as major problems. Fish and wildlife resources and water supply are also identified as issues. **Potential solutions** are then discussed in the context of improvement projects, public information and education, regulatory initiatives, resource management programs and intergovernmental coordination and cooperation. The revised plan has established **goals, objectives and proposed actions** for each of the previously identified problems. **Several actions include:** identification, evaluation and prioritization of subbasins within the District for a comprehensive approach to resource management, the District will develop the mechanism to prioritize subbasins and will produce a map of the watershed delineating the areas subject to flooding; provide leadership and coordination across political boundaries in the acceleration of best management practices; encourage road retention projects and other flood control structures; investigate the need, cost and gain from an enhanced stream flow gauging network; investigate a flood plain management program; inventory drainage ditches for buffer strip need / compliance; complete and submit a clean water partnership grant application for the watershed; organize appropriate partners to determine needs for a drained wetland inventory; protect existing wetlands; request appropriate agencies to identify priority areas for fish, wildlife and recreational resources for preservation, development or improvement; provide leadership and coordination across political boundaries regarding water supply, and projects monitoring the quantity and quality of ground and surface water; review and amend current District rules and regulations.

NEW BUSINESS #2.

November 25, 1996

TO: Water and Soil Resources Board Members

FR: Tim Fredbo, Easement Program Manager

RE: Scott Campbell PWP Easement Application, Faribault County

Background

Scott Campbell originally submitted three applications for RIM funding consideration during the 1994 fall sign-up. All three were located on his land which lies in the S1/2 of the SE1/4 of Section 28, Blue Earth Twp., in Faribault County. The three applications were as follows: 1) RIM Reserve application 22-07-94-01, a 12.5 acre wetland restoration area. 2) RIM Reserve application 22-24-94-01, a 17.8 acre riparian area. 3) Permanent Wetland Preserves (PWP) application 22-25-94-01, an approximately 28 acre Type 1 floodplain forest wetland area. These three areas are shown on the enclosed copy of the aerial photo for this section **(Attachment 1)**. Both of the RIM Reserve applications were approved for funding and easements have been acquired at a cost of $37,793.48. The PWP application was not approved for funding in 1994 as it was not a high resource protection priority as established by the Board in the 1994 Easement Program work plan. It would cost the state approximately $21,034.72 ($751.24 per acre) to acquire a PWP easement on this 28 acre parcel.

Resource protection priorities which have been established in the Work plan for the RIM and PWP programs are as follows: Water quality protection, soil erosion reduction, and enhancement of wildlife habitat. An application must address these priorities to be considered high priority for funding. Land areas that have never been farmed or cropped rarely experience erosion problems or contribute to a water quality problem, and thus are not considered high priority for easement acquisition. Only PWP applications with a cropping history were considered for funding in the '94 and subsequent sign-ups.

When the Faribault SWCD learned that Campbell's 1994 PWP easement application had not been approved for funding, they requested Chris Hughes, Board Conservationist for the area, to reconsider. Chris did not change his recommendation.

In December of 1995 Faribault SWCD submitted the same PWP site as their top priority for funding as ranked by their local RIM screening committee. The application was once again denied funding because it did not meet the state's priority resource protection criteria. Gary Wehrenberg, District Manager for the Faribault SWCD, then met with Chris Hughes and Jeff Nielsen, BWSR staff in New Ulm, to again ask that the Campbell PWP application be approved. Chris Hughes contacted me after his meeting with Gary and I concurred with Chris's decision not to fund this easement.

On December 26, 1995 I received a letter from Orville Goemann, Chairman for the Faribault SWCD Board. A copy of the letter is included as **Attachment 2**. The letter recommended that I approve the Campbell PWP application, and questioned the role of local RIM screening committees given the BWSR's perceived lack of recognition of local priorities. After considerable discussion with BWSR and Faribault SWCD staff, I responded to Mr. Goemann in a letter dated January 22, 1996. Please see **Attachment 3**.

On January 24, 1996 Ron Harnack and I met with Representative Henry Kalis, at his request, to discuss the Campbell PWP situation. At that meeting Ron proposed a possible stop at the Campbell PWP site during the May 21, 1996 BWSR tour of the Blue Earth River basin area. Rep. Kalis agreed with the idea and the stop was included on the tour.

In October Gary Wehrenberg requested time for Scott Campbell to come before the Board. On November 5, 1996 Ron Harnack receives a request from Scott Campbell to appear before the Board to consider his PWP application **(Attachment 4)**.

Some of the problem with the Campbell application stems from the fact that we no longer fund almost all PWP applications that come in the way we did prior to the '94 sign-up. In 1991 $7 million was appropriated to acquire PWP easements and consequently we funded just about every PWP application submitted by SWCD's. This appropriation came to BWSR as a result of the Wetland Conservation Act. We acquired over 10,000 PWP easement acres in 1992 and '93 with the $7 million appropriation.

Since the 1991 PWP appropriation, our bonding appropriations have not been specifically earmarked for PWP or RIM. With these appropriations PWP applications now compete with RIM applications for funding. Through our work plan and re-tooled RIM program we now target easement acquisition, be it RIM or PWP, at lands that will involve a conversion from an intensive use to a more conserving use, (i.e. cropland to permanent wildlife habitat). In this way the state is assured that the easements we pay for are indeed helping to combat our state's various water quality and soil erosion problems, and restoring critical wildlife habitat.

Major Issues

1. The Campbell PWP parcel, even though the land is eligible, does not meet the resource protection priorities that have been established for the RIM Reserve and PWP program. Acquiring an easement on this property will do nothing to improve water quality or reduce soil erosion, and the habitat is already there. We (BWSR) turn away many high priority easements because there are never enough funds to go around. Funding this application would be unfair and set a bad precedent.

2. State resource protection priorities versus local resource protection priorities seems to be the underlying issue that has been emphasized by the Faribault SWCD throughout the Campbell PWP situation. Faribault SWCD's contention is that by establishing state priorities for RIM and PWP we have totally disregarded the local screening committee's priorities. As I explained in my letter to Chairman Goemann (Attachment 3), RIM program rules (Section 8400.3130) are quite specific

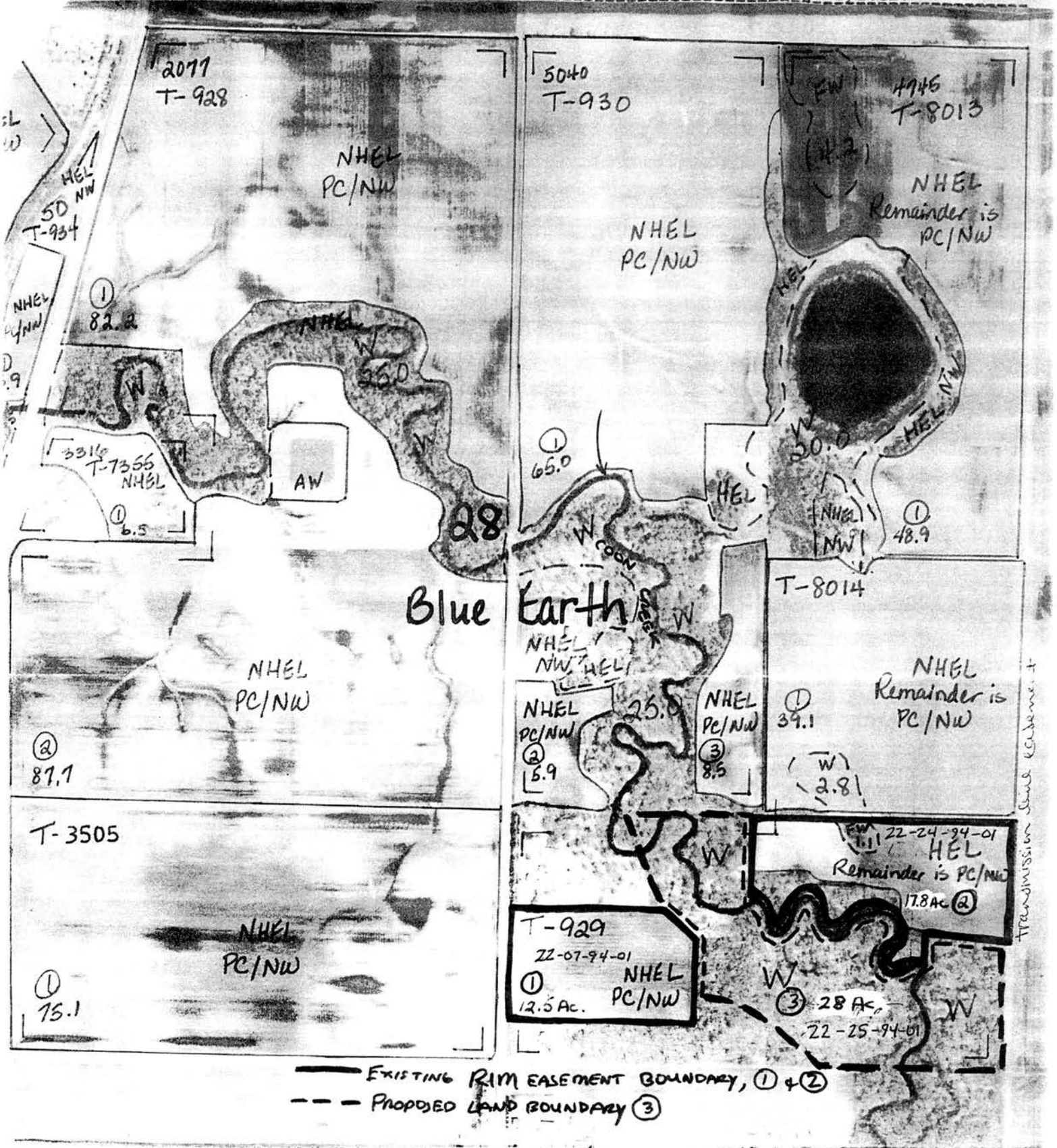
in that local priorities need to take into account what the BWSR's priorities are. With the funding decisions that BWSR staff makes we are picking those easements that best satisfy both state and local priorities, not just state or just local priorities.

Staff Recommendation

Do not accept this easement application into the program. Easement acquisition means that we pay landowners not to crop or graze an area, and to establish and maintain permanent wildlife habitat on the area. In this case what would we be buying? The land in question is not farmed, most likely never has been farmed, is not exempt from the wetland protection requirements afforded by the WCA, and is at very low risk of being converted into agricultural production.

MT = MULTIPLE TRACT NUMBER	HEL = HIGHLY ERODIBLE LAND	MW = MINIMAL EFFECT WETLAND (EXEMPT)	
CW = CONVERTED WETLAND	NHEL = NON-HIGHLY ERODIBLE	MWC, MWM, MWR = SPECIAL COND. (SEE SCS)	
AND NA = NON-AGRICULTURAL	PC = PRIOR CONVERTED WETLAND	NC = NON-CROPLAND	PHOTO NO.
XD AW = ARTIFICIAL WETLAND	ECW = EXEMPT (COMMENCED) CONVERTED WETLAND		
Faribault	NOT TO REPRODUCED	CROP	E-10
	SCALE OCT. 1994	YR.	

6: Contact SCS before draining, dredging, filling, or leveling any wet areas or wetland fields or improving, modifying, or maintaining an existing drainage system.



ATTACHMENT 1

FARIBAULT SOIL AND WATER CONSERVATION DISTRICT

415 S. Grove St.
Suite #8
Faribault County Ag. Center
Blue Earth, Minnesota 56013

MINNESOTA
SOIL AND WATER CONSERVATION DISTRICTS

December 19, 1995

Tim Fredbo
Board of Water and Soil Resources
One W. Water St. #200
St. Paul, MN 55107

Dear Tim,

This letter is in regard to Conservation Easement Application #22-25-94-01 and #22-13-95-01. The landowner is Scott Campbell and the application is for the Permanent Wetlands Preserve (PWP) Program under the Riverine Land Type. The Faribault County Soil and Water Conservation District feels that this area is a high priority wetland and should have been and should be accepted into the PWP Program. The area contains many riverine type wetlands that are very vital for ground water recharge and discharge as well as water quality.

The 94-01 application was ranked second among twenty-four applicants and first out of seventeen for the 95-01 sign-up. Does the local prioritization have any bearing on BWSR's selection process? It does not seem to. Why should the SWCD board and staff as well as other local representatives waste their time conducting a screening committee meeting when the designated high priority applications are not accepted? This does not make any sense.

We hope that you will take a close look at this application for the 95-01 sign-up as well as making some changes in the importance of a local screening committee. We understand that the shortage of funding is a problem with the RIM and PWP programs but we feel the local prioritization should have a greater impact on BWSR's selection process.

Sincerely,

Orville Goemann

Orville Goemann
District Chairman

cc: Ron Harnack
Jeff Nielson
Chris Hughes

ATTACHMENT 2

Tim

Minnesota Board of Water & Soil Resources

One West Water Street
Suite 200
St. Paul, MN 55107
(612) 296-3767
Fax (612) 297-5615

Field Offices

Northern Region:
394 S. Lake Avenue
Room 403
Duluth, MN 55802
(218) 723-4752
Fax (218) 723-4794

3217 Bemidji Avenue N.
Bemidji, MN 56601
(218) 755-4235
Fax (218) 755-4201

217 S. 7th Street
Suite 202
Brainerd, MN 56401-3660
(218) 828-2383
Fax (218) 828-6036

Southern Region:
Highway 15 S.
Box 756
New Ulm, MN 56073
(507) 359-6074
Fax (507) 359-6018

40–16th Street SE
Suite A
Rochester, MN 55904
(507) 285-7458
Fax (507) 280-2875

Box 267
1400 E. Lyon Street
Marshall, MN 56258
(507) 537-6060
Fax (507) 537-6368

Metro Region:
One West Water Street
Suite 250
St. Paul, MN 55107
(612) 282-9969
Fax (612) 297-5615

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January 22, 1996

Orville Goemann
District Chairman
Faribault SWCD
415 S. Grove St., Suite 8
Blue Earth, MN 56013

Dear Mr. Goemann:

Thank you for your letter regarding the Scott Campbell RIM application and the local screening committee process. I appreciate your concern, as I am also concerned, that your District feels that the State's RIM program priorities are not in line with your local resource protection priorities. It is the BWSR's intent that the RIM program be a useful resource protection tool for SWCD's to utilize in addressing their local soil erosion and water quality concerns.

Seven million was appropriated to BWSR in 1991 for Permanent Wetland Preserves (PWP) easement acquisition. Approximately $6 million of that appropriation has been expended to secure PWP easements. By decision of the BWSR Board, the remainder is being held in reserve to acquire easements where WCA permits are denied. Since the '91 bonding appropriation, the BWSR has not received any funds earmarked for PWP easement acquisition. As a result, PWP applications must now compete with RIM applications for funding.

Through the BWSR's FY 95-96 Easement Program Work Plan and the September '95 Easement Programs Update, which was sent to all SWCD offices last September, I attempted to convey the BWSR's resource protection priorities, which are as follows: 1) Protect and improve water quality. 2) Reduce soil erosion. 3) Enhance wildlife habitat. An application must address these priorities to be considered high priority for funding. Land that has not been farmed or cropped in recent years is, in most instances, not contributing to a water quality concern, does not have an erosion problem, and therefore does not rate out as either a high or medium priority application on the assessment matrix (Attachment 3 to the Work Plan). This applies for both RIM and PWP easement applications. For PWP areas that are not farmed, applications should demonstrate a high susceptibility for wetland alteration that is both legal and practical in order to be considered for funding. This is discussed in A.2, Program Goals, PWP Eligibility section of RIM Handbook 1.

It is not appropriate for the State to acquire easements on land that is not contributing to the degradation of the State's natural resources.

ATTACHMENT 3

When we are acquiring easements with limited funds we have to seek out those applications that go the furthest towards addressing our soil, water and wildlife resource problems.

Section 8400.3130 of the RIM Program rules discusses the criteria that local screening committees must utilize when setting local priorities and prioritizing applications. Part A under this section states that local priorities must take into account the State Board's priorities, among other things. If this is accomplished during the screening committee process, there is no reason that your top priority applications would not be accepted as long as there are funds available.

It is unfortunate that BWSR's priorities do not seem to reflect the local resource protection priorities established by your screening committee. This is something that BWSR and your SWCD need to talk about. I have already discussed this situation with your Manager, Gary Wehrenberg, but I would be willing to meet with your District Board, if you so choose, to discuss this issue further. I would appreciate the opportunity to try and settle this issue amicably for all parties. As Manager of the BWSR easement programs, I will strive to make the RIM program as useful a tool as I possibly can for SWCD's to treat their local resource protection needs.

Please contact me if you would like to set up a time to meet, or if you have any further questions that I can help you with. I can be reached at 612-296-0880.

Sincerely,

Tim Fredbo
Easement Program Manager

cc: Barb Cobb, Chair BWSR
Al Kean, Engineer, BWSR
Jeff Nielson, Southern Reg. Sup., BWSR
Chris Hughes, BC, BWSR
Jim Birkholz, Asst. Director, BWSR
DeWayne DeZiel, Exec. Director, MASWCD

RECEIVED
NOV 0 6 1996

Copy ~~Tim~~, Al, Jeff N., Chris H., Marybeth, Board file (MJA), & ret to RDH - SB
Dec Bd mtg?

November 5, 1996

Ron Harnack
Board of Water and Soil Resources
One West Water St., Suite 200
St. Paul, MN 55107

Dear Ron:

As requested, I am responding to your request for information.

I would like some time with the Board of Water and Soil Resources Board to talk about my Reinvest in Minnesota sign up and to see if we can finish the project we started. Gary Wehrenberg of the Faribault County Soil and Water Conservation District has told me that this was a suggestion from you. I appreciate this attempt to put some finality to my project.

I have asked Gary Wehrenberg, the Faribault County SWCD Chairman Frank Drake, Senator Tracy Beckman and Representative Henry Kalis to attend this meeting with me.

Gary Wehrenberg has told me that you will get back to him with an agenda and a time slot for me at the meeting. ✓

I appreciate this opportunity and am looking forward to meeting with the BWSR board.

Sincerely,

Scott Campbell

Scott Campbell

22-07-94-01
22-24-94-01

ATTACHMENT 4

FARIBAULT SOIL AND WATER CONSERVATION DISTRICT

415 S. Grove St.
Suite #8
Faribault County Ag. Center
Blue Earth, Minnesota 56013

RECEIVED
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MINNESOTA
SOIL AND WATER CONSERVATION DISTRICTS

November 26, 1996

Mr. Ron Harnack, Executive Director
Board of Water and Soil Resources
One West Water Street
Suite #200
St. Paul, MN 55107

Dear Mr. Harnack,

This letter is in regard to Conservation Easement Application #22-02-96-01 (Scott L. Campbell) from Faribault County. Mr. Campbell has applied for enrollment in the 94-01, 95-01, and 96-01 sign-ups and this parcel has been ranked #1 by the local screening committee each time. The application was excluded from the list in 1996 because we feel it needs special attention since it has been locally ranked #1 for three years in a row and not funded by the Board of Water and Soil Resources.

According to page #2 of the Conservation Easement Program FY 97-98 Work Plan prepared by Tim Fredbo, each easement application is prioritzed as to how well it achieves local resource protection goals set forth in the county water plan, SWCD comprehensive plan, and by the local screening committee and this is why this application has been ranked #1 in Faribault County. It seems like the local prioritization is being ignored by BWSR and having the screening committee meeting is just a waste of time and money. We feel that the local prioritization needs to be followed more closely so the applications that are identified as critical are funded accordingly.

Therefore, we are looking forward to presenting this to the BWSR Board and pleading our case. The rest of the applications are ranked in priority order behind Mr. Campbell's (#22-02-96-01), whose project we are looking for closure on. Thank you for giving us this opportunity.

Sincerely,

Frank Drake

Frank Drake
SWCD Board Chairman

cc: Jeff Nielsen
Chris Hughes
Application File

NEW BUSINESS #3.

Dakota County Environmental Education Program

Protecting Dakota County's Water Resources through Education and Information

821 Third Street, Suite 100
Farmington, MN 55024
Phone: 612/460-8004
Fax: 612/460-8401

Countywide coordination provided through these cooperating agencies:

Dakota County Soil and Water Conservation District

Dakota County Office of Planning

Dakota County Environmental Management Department

Minnesota Extension Service, Dakota County

October 17, 1996

Barbara Cobb, Chair
Minnesota Board of Water and Soil Resources
1 Water Street, Suite 200
St. Paul, Minnesota 55107

Dear Ms. Cobb:

It is time to take a bow for a job well done! The Minnesota Board of Water and Soil Resources will be recognized at the Take-a-BOW* (*Body of water) Recognition Program on Wednesday, October 23, 1996, from 3:30 to 4:30 p.m., in the atrium of the Dakota County Western Service Center, 14955 Galaxie Avenue, Apple Valley.

A program at 4:00 p.m. will recognize cities, schools, and organizations that have partnered with the Dakota County Environmental Education Program over the past two years. A grant from the Minnesota Board of Water and Soil Resources provided funding to develop three wetland teaching packs, build a wetland learning platform, purchase three ground water models, and provide resources for the countywide resource center in the Dakota County Library System. I hope you or a representative from the Board of Water and Soil Resources will be there to accept a certificate of appreciation.

The Dakota County EE Program was established to implement the 1994 *Dakota County Water Resources Education Plan.* Priorities of the plan include wetlands and groundwater educational efforts, and the grant provided for significant program enhancements.

The agency is invited to have a display or to distribute literature at the event. Just let me know how much space you would need. Hope you can be there.

Sincerely,

Charlotte Shover

Charlotte Shover
Environmental Education Coordinator

Programs and services are offered on a non-discriminatory basis.

OVERVIEW
MARSHALL COUNTY
COMPREHENSIVE LOCAL WATER PLAN

BACKGROUND:
On February 28, 1990 the Board of Water and Soil Resources approved the Marshall County Comprehensive Local Water Plan (CLWP). On May 1, 1990 the Marshall County Board of Commissioners locally adopted the CLWP. On November 15,1994 the Marshall County Board of Commissioners passed a resolution to update the CLWP. The administration of the CLWP was handled by the Solid Waste Office with implementation coordination by the Marshall Soil and Water Conservation District until February 1994. Since then Marshall County has had on staff a CLWP coordinator\technician who performs both functions.

Some of the major activities that have been implemented over the past five years have been an aggressive abandon well inventory and sealing program, participation in a four-county ground water study, suspended sediment study on three rivers, development of a soil loss limits ordinance, and an aggressive educational campaign on many water related topics.

INTRODUCTION TO MARSHALL COUNTY:
Marshal County consists of 1.2 million acres in Northwest Minnesota. It is approximately 330 miles northwest of the Twin Cities within the Red River Valley. Within the county there are 48 townships and 11 incorporated cities with Warren being the county seat.

The main livelihood in Marshall County is agriculture with small grains, potatoes, and sugar beets, being produced in the western half . As one moves easterly across the county agricultural products change to corn, beef and dairy.

All of Marshall County has been influenced by the waters of glacial Lake Agassiz. Marshall County is divided into five distinct geomorphic regions: The largest portion is classified as Agassiz Red River Valley. This is the very flat (0%-2% slope) lake bottom making up the western half of the county. The Agassiz interbeach classification (2%-6%slope) corresponds with the beach ridge areas trending north and south through the center of the county. These are the sandy remnants of the beaches as Lake Agassiz receeded. The Agassiz Beltrami, Agassiz Peatlands, and Agassiz Red Lake regions (0%-2% slope) make up the minor areas in the north central, northeast, and southeast parts of the county respectively. These areas experience mass areas of peatland and wetlands and land use is limited.

Because of the geological activity of the area the major water related concerns center around flooding in the flat lands adjacent to the Red River, the sensitive groundwater areas in the sandy beach ridge area, and the severe wetness in the areas east of the beach ridge area.

STAFF REVIEW

The Plan update includes a reassessment of water resources and a description of issues, goals, objectives, and action items based on new information and the knowledge that has been gained

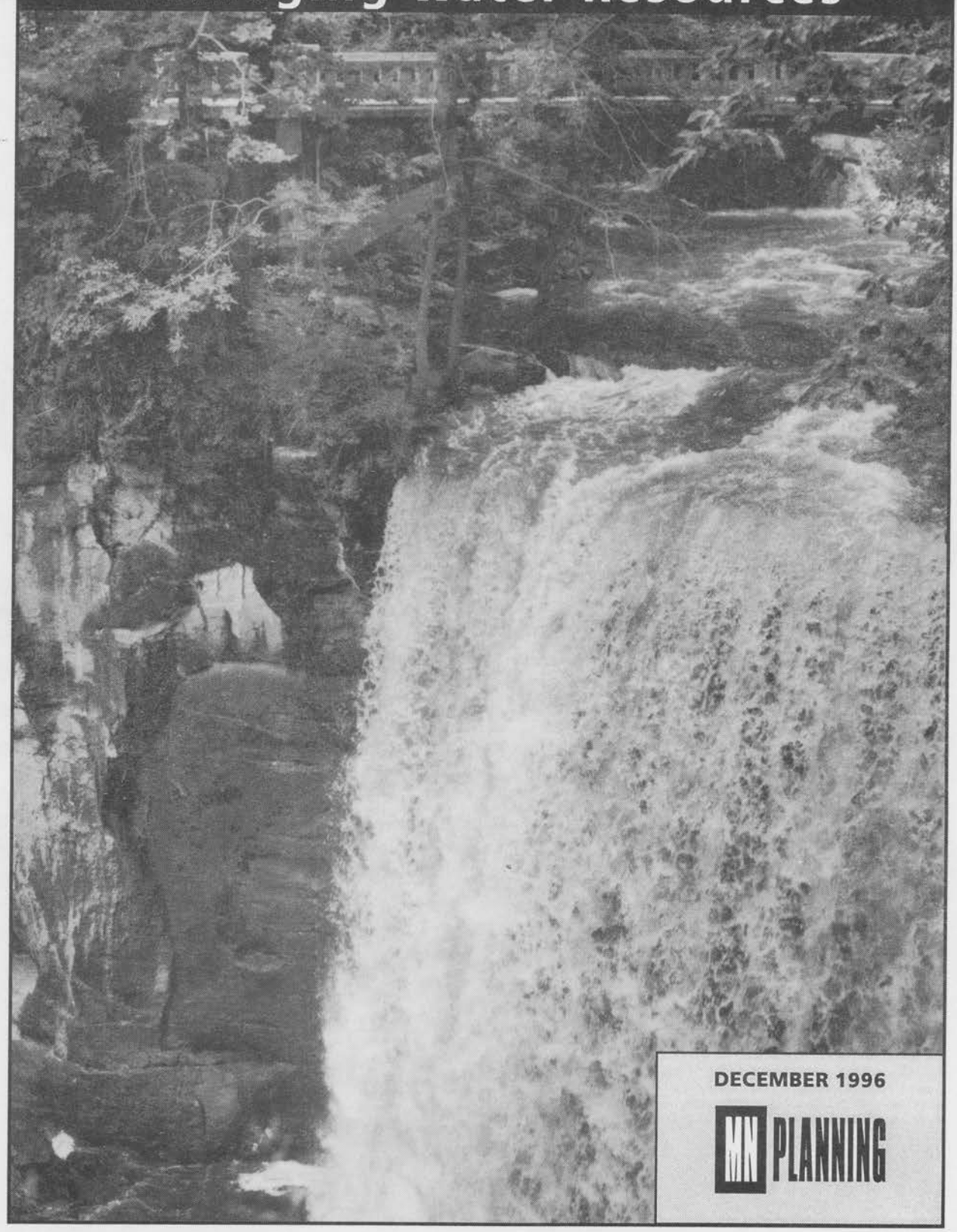
over the past five years. The Marshall County Water Resources Advisory Committee (WRAC) used the resources assessment process to better understand the nature and condition of water and water related resources within, as well as outside county borders. When appropriate, assessments have been reviewed in a watershed context. Watersheds in the county include the Thief River, Grand Marais, Snake, Tamarac, Two Rivers, and Roseau. The assessments, goals, and objectives are based on the Thief River, Snake, and Tamarac watersheds. The other watershed's boundaries within the county are so small that they are insignificant and can be included in the discussion of the adjoining watersheds.

The four major issue areas for Marshall County are: **Protect, improve, and monitor the quality and quantity of water in the county.** This will be accomplished through such activities as wellhead protection, well sealing, and reducing sediment by conservation practice application and a soil loss ordinance. The county also has identified the need to increase the level of ground and surface water monitoring. **Flood control and ditch management in the county**. Activities include assessing different types of flood control practices and their effectiveness, complete a comprehensive ditch inventory, some level of wetland protection, and develop a diking system that equally shares flood waters. **Better land use management**. Activities include the development of a comprehensive land use plan, development of a wetland management plan, a level two feedlot inventory, implement septic system and sewer maintenance and regulations, and implementation of best management practices. **Solid waste**. Activities help support the county's solid waste plan.

The Plan update was submitted for final review on October 18, 1996. Staff will continue to assist the county in its updating process by providing final review comments and coordinating any needed resolution to concerns identified by others reviewing this plan.

Crosscurrents

Managing Water Resources



DECEMBER 1996

MN PLANNING

MINNESOTA PLANNING is charged with developing a long-range plan for the state, stimulating public participation in Minnesota's future and coordinating activities with state agencies, the legislature and other units of government.

This report was prepared by Deborah Pile, with assistance from Russell Kava. Additional assistance was provided by an interagency work group with representatives from the Environmental Quality Board, the Pollution Control Agency, the Board of Water and Soil Resources, and departments of Agriculture, Health and Natural Resources.

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Crosscurrents

Managing Water Resources

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Summary

Minnesota's environment and natural resource management system is complex. Nearly a dozen state agencies and special purpose districts, as well as counties, cities and townships play a role in management. Recognizing the complexity of the state's system, the Minnesota Legislature presented five goals and 11 outcomes and authorized a study of how services could be better delivered by reorganizing related functions.

Crosscurrents focuses on how the state's water management system can be changed to meet the Legislature's goals and outcomes. It reports recent improvements by agencies and special purpose districts, barriers to achieving further improvements and options for change. *Crosscurrents* draws on past studies, comments provided by citizens and local government personnel, and input from state agency representatives. It notes that the current system of advocacy agencies gives all interest groups a voice in decision-making and is generally preferred by citizens.

Agencies and local governments have made significant strides toward improving service delivery by working within existing systems. Agencies work cooperatively on planning, enforcement and assistance efforts and have struck partnerships with local governments and citizens. Partnerships among local governments also are common. Agencies have simplified permitting by using general permits, delegation and other approaches. All parties are continually developing better ways to get pertinent, understandable information to citizens.

Still, barriers to improvements exist. Cooperation, coordination and integration of efforts among agencies are complicated by inflexible funding, overlapping authorities and different data management and communications systems. Agencies have different regional structures, further hindering integrated service delivery. Lack of resources can hamper local efforts and special purpose districts are hard to modify, inhibiting local governments' ability to react to changing needs.

Crosscurrents' options for change build on Minnesota's current management structure, recognizing its important checks and balances and opportunities for citizen involvement. For state agencies, options include developing a multi-year plan to merge regional offices, integrating financial assistance programs and identifying additional permitting decisions that can be handled through simplified means. The Legislature could simplify procedures for modifying special purpose districts and county comprehensive local water plans could be used by local governments and state agencies for broader environmental purposes. Investments in technology could yield major improvements throughout the management system, as could a more full integration of sustainable development principles into the state's efforts.

Crosscurrents

Crosscurrents provides a snapshot of Minnesota's environment and natural resource management systems, focusing on how water-related functions can be changed and improved. The report highlights past reorganization efforts and the evolution of the current system. While individual agencies have made significant strides toward improving internal efficiencies and program effectiveness — and protecting the state's air, water and land — the main focus here is on issues within and among agencies and how services ultimately can be better delivered.

Crosscurrents draws on comments provided by citizens attending a series of eight regional public meetings sponsored by the Environmental Quality Board in 1995, as well as telephone interviews conducted with local government personnel in 1996. Input also was solicited from state agency representatives.

Recognizing the complexity and confusion of the state's system for citizens and decision-makers, the Legislature presented five goals and 11 outcomes and authorized a study of how services could be better delivered by reorganizing related functions. It also called for an examination of special purpose districts to identify ways to eliminate overlapping jurisdictions and duplicative efforts. The 11 outcomes fall into four broader areas that can be used to evaluate current efforts and develop options.

LEGISLATURE'S FIVE GOALS

- *Sustainable development*
- *Improved service delivery*
- *Prevention*
- *Citizen participation*
- *Reduced pollution*

Streamline and Integrate Appropriate Elements of the State's Efforts

Since water resource management efforts evolve within programs and agencies as new needs are identified, the state must routinely review if they are efficiently organized and interrelated. Programs and activities should be well coordinated and appropriate ones consolidated within and among agencies, capitalizing on the expertise of specific agencies. Flexibility should be enhanced to encourage cooperation between state and local governments to meet water resource needs. Efforts that can be better handled by local governments or the private sector should be modified and programs should be evaluated to see if they are still needed.

Tailor Efforts to Better Serve Customer's Needs

Customers' needs for information and technical assistance are increasing. These include local governments involved with local water planning and wellhead protection, citizens groups working to protect a lake or stream and people seeking permits. Pertinent information should be understandable and easily accessible. Service delivery systems should be decentralized so that customers can get permit requirements, resource quality and other information at various sites throughout the state.

Simplify Permitting and Other Decision-Making

Permitting can be complex, with several different permits and agency approvals required for what the public perceives as one activity. The state should simplify permitting through joint permit applications, better coordination among agencies and eliminating unnecessary reviews and paper work. Appropriate decisions should be delegated to regional offices and local governments.

Orient Efforts Toward Sustainable Development

Solving problems is much more difficult and expensive than planning ahead. To ensure that overall environment, natural resource and human needs will be sustained by today's actions and development decisions, the state should establish a policy-planning framework for sustainable development. It should encourage customers to adopt sustainable practices through polluter-pays principles that balance regulatory controls and financial incentives. Resource management should be based on appropriate natural resource characteristics, rather than political boundaries.

Minnesota's System

Minnesota's current system of water resource management is the result of more than 50 years of advances in the understanding of environmental problems, coupled with the public's desire for high quality resources and federal calls for action. The system is built upon existing institutions and reflects the state's strong political and cultural tradition of direct citizen participation in government and involving constituent groups in policy formation. Hazardous waste, wetland destruction, nonpoint source pollution, acid rain and other threats led to new authorities, programs and agencies. Actions of individuals became as much a focus as those of industries and municipalities. Local governments became important actors.

Evolving understanding of the complexity of issues led to needed ties within and among agencies and between state agencies and local governments. Input from specialists was needed to solve problems, making it necessary for groups or teams of people to be involved in some decisions.

Agency Missions, Activities Demonstrate Diversity and Advocacy

Pollution Control Agency
Mission: Protect and improve Minnesota's air, water and land to secure the quality of life of its citizens.
Major water management activities: Dominates the water quality management arena and is responsible for implementing the federal Clean Water Act in Minnesota. Portions of the federal Resource Conservation and Recovery, the Comprehensive Environmental Response and Liability and Clean Air Acts, all administered in Minnesota by the PCA, also deal with water quality.

Department of Health
Mission: Protect, maintain and improve the health of Minnesota citizens.
Water activities: Deals with health risk, wells, wellhead protection and drinking water and has responsibilities through the federal Safe Drinking Water Act.

Department of Natural Resources
Mission: Serve present and future generations of Minnesotans by professionally managing our rich heritage of fish, wildlife, waters, wetlands, forests, prairies, minerals, public lands and other natural resources to preserve and enhance our environment.
Water activities: Administers water quantity and other water-related resource management efforts, including programs affecting fish and wildlife habitat, recreation and shore-land management.

Department of Agriculture
Mission: Foster and maintain a diverse agricultural industry that is economically profitable and environmentally sustainable, to protect public health and safety, to provide consumer protection and to assure orderly commerce in agriculture and food.
Water activities: Regulates pesticides and fertilizers and administers sustainable agriculture and integrated pest management programs. The MDA is responsible for implementing the federal Insecticide, Fungicide and Rodenticide Act in Minnesota.

Board of Water and Soil Resources
Mission: Provide leadership enabling local governments to properly manage water and soil resources and to help all citizens be stewards of our irreplaceable natural resources.
Water activities: Provides financial, technical and administrative assistance to counties, soil and water conservation districts, watershed districts, watershed management organizations and other local governments and coordinates activities among local, state and federal governments.

Environmental Quality Board
Mission: Lead Minnesota environmental policy by anticipating and responding to key issues, by providing appropriate review and coordination, by serving as a public forum, and by developing long-range strategies to sustain and enhance Minnesota's environmental quality.
Water activities: Responsible for coordination and water policy integration among state agencies and local, regional and federal bodies. Water duties are assigned to its Water Resources Committee.

Minnesota Analyzes its Structures

Reorganization of water management efforts has been considered many times. A 1986 Minnesota House Research Information Brief, *State Water Management: Reorganization and Consolidation*, documented more than 12 laws changing water management and 14 studies of water management reorganization. Major actions since then include creation of the Board of Water and Soil Resources in 1987, which consolidated three existing boards, and the Commission on Reform and Efficiency 1993 recommendations on environmental reorganization. Much emphasis throughout these efforts centered on water planning and local or substate activities.

Coordination generally has gotten more emphasis in evaluations of Minnesota's water managements structures then consolidation or reorganization. In 1970, the State Planning Agency's Water Resources Coordinating Committee issued a report identifying three major goals for water management: prepare sound water resource plans, coordinate state programs and policies, and present a united position in water management involving state and federal government. That same year, the Minnesota House of Representatives Land and Water Resource Committee issued an interim report recommending legislation to create a 12-member water resources coordinating committee chaired by the Commissioner of Conservation to plan, develop and manage water resources in the state.

The University of Minnesota Center for Studies of the Physical Environment recommended three possible courses of action for water management in the state in a 1973 report: consolidating the number of water agencies, clearly defining the responsibilities of each agency, or establishing a policy coordinating committee. The idea of a permanent water resources coordinating body was suggested again in 1979, this time in a study by the Water Planning Board. By 1984, a State Planning Agency report recommended that the Environmental Quality Board establish a permanent water and related land resources subcommittee to coordinate water policy and discussion. A year later, a report from the same agency argued that a consolidated "superagency" was not necessary for various agency groundwater responsibilities but continues the theme that a coordinating body was needed to address certain issues.

Occasionally, some reports argued for greater consolidation rather than coordination in water management. In 1993, a report by the Commission on Reform and Efficiency noted the fragmented, unresponsive, overly prescriptive, time-consuming and costly nature of the environmental services delivery system. It argued that most state environmental functions should be consolidated into two agencies, a Department of Resource Management and a Department of Environmental Protection. It recommended that a secretary of the environment oversee both agencies and report to the governor.

Several studies also have looked at more specific issues of merging particular agencies. A 1971 study from the office of Governor Levander recommended placing the Water Resources Board within the Department of Natural Resources, which was echoed two years later in Governor Anderson's environmental message to the Legislature. In 1981, the Southern Minnesota Rivers Basin Board recommended that it merge with the Water Resources Board and the Soil and Water Conservation Board. This same merger was advocated in two studies in 1985, one from the State Planning Agency and one from the Department of Agriculture.

General and Special Purpose Districts Have Major Roles

Counties, cities and towns are responsible for zoning, land use decisions, local ordinances and permit actions that can affect water resources. Counties outside the Twin Cities area have authority to develop and implement county comprehensive water plans.

Soil and Water Conservation Districts are responsible for conservation projects dealing with land, surface water and ground water.

Watershed Districts have broad authority to address a wide variety of water-related issues, including flood control and water quality.

Lake Improvement Districts are generally established to preserve the natural character of a particular lake and its shoreland environment.

Watershed Management Organizations develop watershed management plans for the minor watershed units wholly located in the seven-county metropolitan area.

Lake Conservation Districts have a variety of regulatory powers over a lake, including power to regulate the types of boats and motors used, times and places of use and speeds.

Need Emphasized for Overall Planning

Many past water management reorganization efforts centered on how the state could best accomplish water resource planning. In 1967, the State Planning Agency formed a Water Resources Coordinating Committee to carry out the coordination required by the federal Water Resources Planning act of 1965. The federal act provided the impetus for a state framework water and related land use plan, federally funded river basin studies and river basin commissions. The state water framework plan was supposed to provide the guidance for federal projects as well as for local efforts. However, while water assessments were prepared, the framework plan was not.

In 1973, the Minnesota Water Resources Council was created by Executive Order to coordinate programs and activities necessary for proper land and water planning. It met the coordination requirements of the federal Water Resources Planning Act and was chaired by the Department of Natural Resources. However, with no funding, progress was limited. The legislation gave the DNR the responsibility to develop a statewide framework water plan by 1975, but it was not prepared. A 1976 Executive Order assigned responsibilities for preparing the framework water plan to the Minnesota Water Resources Council.

In 1977, prompted by a severe drought, the Legislature created

A 23-Year History of Water Management Reorganization Studies

Year	Title
1970	*Minnesota Water and Related Land Resources: First Assessment*, State Planning Agency, Water Resources Coordinating Committee
1970	*Minnesota House of Representatives Land and Water Resources Committee Interim Report, 1969-1970*
1971	*Natural Resources Organization for Minnesota,* Office of Governor Levander, Laurence Koll and David Durenberger
1972	*Recommendations,* House\Senate Joint Subcommittee on Water Resources.
1973	*Governor Anderson's Special Environmental Message to the 68th Session*
1973	*Environmental Decision-Making in Minnesota: Summary and Alternatives,* University of Minnesota Center for Studies of the Physical Environment
1979	*A Framework for a Water and Related Land Resources Strategy for Minnesota,* Water Planning Board
1981	Southern Minnesota River Basin Board Proposal
1981	*Special Study on Local Water Management,* Water Planning Board
1984	*State and Local Water Planning,* Issue Team Report, State Planning Agency
1985	*Ground Water Management Strategy,* Issue Team Report, State Planning Agency
1985	*Water Agency Merger Study,* State Planning Agency
1985	*Metropolitan Development Guide Chapter: Water Resources Management, Part 3,* Metropolitan Council
1985	*Report of the 1985 Interim Study Group,* Department of Agriculture
1993	*Reforming Minnesota's Environmental Services System,* Commission on Reform and Efficiency

and funded the Water Planning Board whose responsibilities included creating a framework water and related land resources plan, coordinating water activities and involving citizens. *A Framework for a Water and Related Land Resources Strategy for Minnesota* was published in 1979. It recommended a permanent water coordinating body with adequate authority. But President Reagan terminated the federal Water Resources Council and the federal-state river basin commissions in 1981, lessening federal and state emphasis on river basin approaches.

The functions of the Water Planning Board were merged into the Environmental Quality Board in 1983, making it the state water coordinating body. As noted in *State Water Management: Reorganization and Consolidation,* "it is interesting to note that the role of coordinating water planning, which started in the State Planning Agency through the Water Resources Coordinating Committee in 1967, was back in the SPA by 1983 through the auspice of the EQB."

The EQB developed biennial water resources priority recommendations for state and legislative actions, facilitated interagency efforts on the 1989 Ground Water Protection Act and prepared the Minnesota Water Plan to guide state efforts in 1991.

The need for overall planning was again emphasized when the Legislative Water Commission called for greater coordination in its 1992 report focusing on the state's water management needs for the year 2000. Noting the complex system of water management at both the state and local levels of government, the commission stated that the overall water management system must be better focused and coordinated so that it is accountable and understandable and that people know who is responsible for each facet of water management. They recommended that the EQB oversee the development of a coordination strategy for water management in the state, involving the various interested parties. Yet by 1995, the Legislature had changed the water plan requirement from five years to ten, with the next plan due in 2000, transferred several water-related assessment authorities to other agencies, and allowed the Legislative Water Commission to sunset.

Management Evolves at Local Level

Over the years, the state recognized that water resource management and protection require active involvement of local units of government and individuals. Early emphasis centered on county and watershed-level efforts, but later broader scale efforts were emphasized as well. Significant attention in reorganization studies and legislative action has centered on local governance and planning.

In 1937, Minnesota passed the enabling legislation for soil conservation districts and a Minnesota oversight board to control soil erosion based on a federal model. The model suggested local districts have authority for land use regulations and use watershed-based planning, but the legislation did not include land use authorities. The state's districts generally pursue voluntary compliance and county-based plans.

Water Management History

This timeline covers major changes in Minnesota's management structures.

pre-1930

1919: Department of Agriculture created; merged in 1923 with Dairy and Food Department, created in the late 1800s

1930

1931: Department of Conservation created

1937: Soil and Water Conservation Board created and soil and water conservation district law enacted

1940

1945: Water Pollution Control Commission established

The Water Resources Board was created in 1955, along with enabling legislation for watershed districts. These districts had the necessary taxing and other authorities that soil conservation districts lacked to qualify for technical and financial assistance under federal public law 566, which provided funding for projects such as drainage and flood control.

During the 1970s, there was much interest in land and water issues. In 1971, the Southern Minnesota Rivers Basin Board was established to develop a comprehensive plan for the Minnesota River Basin and the tributaries to the Mississippi River in southeastern Minnesota. At the same time, a joint Minnesota legislative subcommittee reported that the system for land and water in Minnesota had become so complicated that few had a clear understanding of the entire system. They recommended creating a citizen board charged with reviewing the multiplicity and fragmentation of special purpose districts and abolishing the Water Resources Board and State Soil and Water Commission.

Another study in 1971, *Natural Resource Organization for Minnesota,* discussed the need for coordination and state oversight of land and water activities. It recommended forming a Natural Resources Council and including the Water Resources Board and State Soil and Water Commission in the Department of Natural Resources. The Legislature brought the State Soil and Water Commission into the DNR in 1971, but left the Water Resources Board independent.

Three additional studies — by the Southern Minnesota Rivers Basin Board in 1981 and the State Planning Agency and Department of Agriculture in 1985 — recommended combining the Water Resources Board, the State Soil and Water Commission, then known as the Soil and Water Conservation Board, and the Southern Minnesota Rivers Basin Board. While the Soil and Water Conservation Board was transfered to the Department of Agricultural in 1983, it was 1987 before the Board of Water and Soil Resources was created from the authorities of the three boards.

Several studies and legislative initiatives recognized the need to plan and manage water resources locally. The Water Planning Board recommended in a 1981 study, *Special Study on Local Water Management*, that counties take a leadership role in local water management. The Comprehensive Local Water Management Act was enacted in 1985, providing for county-led, voluntary local water planning. Fifty-two counties formed six groups for local water planning purposes and received state assistance to begin plans. Today all counties outside the Twin Cities metropolitan area have local water plans.

The Metropolitan Water Management Act, passed in 1982, required watershed-based planning in the Twin Cities Metropolitan Area by watershed districts or watershed management organizations. In 1987, amendments to the act gave counties in the Twin Cities voluntary ground water planning authorities.

1950

1955: Water Resources Board created and watershed district law enacted

1960

1967: Minnesota Pollution Control Agency created, replacing the Water Pollution Control Commission established in 1945

1967: State Planning Agency forms Water Resources Coordinating Committee

1970

1971: Name changed to Department of Natural Resources from Department of Conservation

1971: Southern Minnesota Rivers Basin Board established

1973: Minnesota Water Resources Council created

1973: Environmental Quality Council created

1977: Water Planning Board created

1977: Initiated in 1926, name change creating the Department of Health from State Board of Health and Vital Statistics, created in the late 1800s

1980

1983: Water Planning Board merged into the Environmental Quality Board

1985: EQB forms Water Resources Committee

1987: Board of Water and Soil Resources created from Water Resource Board, Soil and Water Conservation Board, and Southern Minnesota Rivers Basin Board

1990

A System Designed Purposefully — or Haphazardly

Minnesota's environmental system can be categorized as a collection of advocacy agencies, concluded the Commission on Reform and Efficiency in 1993 when they recommended combining agencies. They found that each agency presents one or more differing perspectives that can lead to gridlock and untimely decisions.

Each water resource management agency has a distinct perspective. The Department of Natural Resources' conservationist bent favors controlled use and systematic protection of resources. The Pollution Control Agency leans more toward the environmentalists perspective of protecting resources from destruction. The Department of Health is an advocate and protector of public health, while the Department of Agriculture emphasizes a strong agricultural economy, including support of farmers and agribusiness. The Board of Water and Soil Resources provides resources to local units of government and advocates on their behalf. The state level coordinating role goes to the Environmental Quality Board, which serves broad public interests and as a forum for discussions of conflicting issues by the environmental agencies.

Yet this might be just the system that the state intended. The system meets the needs of various interest groups and gives them a voice in state government decision-making that they might not have with only one agency. Major decisions are made with full public scrutiny. Water resource issues are complex and far-reaching, and agencies dealing with agriculture, health, public safety, natural resource management and pollution control all have legitimate interests in them. The Office of the Legislative Auditor noted in its 1987 report, *Water Quality Monitoring*, that the major rationale for this system is that separate agencies can better advocate for their specific areas of responsibility. In addition, the external checks and balances of the system can foster creative tension and diversity in dealing with issues.

As noted in *State Water Management: Reorganization and Consolidation*, "Despite administrative complexity and the fragmentation and overlap that may occur among state water management agencies, Minnesota traditionally has supported a system of strong, competing agencies, each concerned with its own duties and specific goals. In political terms, an advocacy system promotes competition and increases the public representation of each goal or interest and highlights political choices. Conflicts and tradeoffs in such a system are meant to be solved through the political rather than the administrative process."

The state's system of allowing for multiple types of special purpose districts gives many choices to local governments and citizens in getting things done. They can form a lake improvement district to focus attention on a problem or a watershed district if a county or other unit is not taking necessary actions.

Improvements

Many actions already have been taken or are underway that directly relate to the legislative outcomes. Interagency and intergovernmental cooperation on planning, enforcement and technical assistance has been increasing. Changes in permitting are yielding more simplified processes. More decisions are taking place outside St. Paul. Examples of these and numerous other improvements are discussed here and detailed in the inventory of improvements section of *Crosscurrents*. These improvements offer ideas for possible continued courses of action.

State agencies have worked together to manage water resources for many years — from nonpoint source pollution efforts in the 1970s to current efforts focusing on water and wastewater infrastructure needs. Cooperation has increased in recent years as the interrelationship of issues and programs became more apparent. The Environmental Quality Board established its Water Resources Committee in 1985 to highlight the need for interagency approaches to water resource management.

Cooperative Planning Efforts Underway

Comprehensive local water plans are encouraging cooperation among local governments. Counties are responsible for preparing local water plans, but soil and water conservation district staff often play a key role and other units, including neighboring jurisdictions, have opportunity for input. Some counties are including overall water resource needs and responsibilities for all units of government in their updated plans, eliminating duplication, overlap and competition for funding. Many parts of the state report great strides in coordination and cooperation since beginning local water planning.

In other areas, however, additional improvements are needed. Some counties report almost no coordination with cities. Isolated incidence of insufficient cooperation between counties, soil and water conservation districts and watershed districts also are noted, as was the need for better coordination with the Minnesota Extension Service on education. Independent taxing or funding authority appears to work against coordination. The comprehensive local water plan should provide the vehicle for local units to work out these differences.

State-level cooperative planning often stems from federal mandates. These mandates frequently call for state rather than agency plans. The federal Insecticide, Fungicide and Rodenticide Act, and subsequently state law, required the Department of Agriculture to prepare a pesticide management plan with input from many interests. The Pollution Control Agency was charged with preparing the state ground water protection strategy, the comprehensive ground water protection program, framework and state assessment and the nonpoint source management plan, all through requirements of the federal Clean Water Act. The Department of Health is charged with the state's wellhead protection program, which depends on elements of the pesticide management plan and comprehensive ground water protection program for success. Sometimes agencies worked through the Water Resources Committee on these efforts.

Other state-level efforts come from legislation and agencies. Cooperative planning efforts assigned by the Legislature to the Environmental Quality Board and other agencies include the state water resource monitoring plan, water quantity and quality assessment reports and identification of water resource research needs. Local water plan review also calls for involvement of multiple agencies.

Some efforts come from needs identified by agencies and the Water Resource Committee. These include the evaluation of water and wastewater infrastructure needs and current efforts to develop unified water resource monitoring needs. The Water Resource Committee showed its potential as a forum for pulling agencies together for the state ground water protection strategy and Ground Water Protection Act of 1989. Many other legislative issues are routinely discussed and worked on each year by the agencies, including integrated capitol budget requests and consolidated requests to the Legislative Commission on Minnesota Resources.

Compliance, Enforcement and Assistance Offered Cooperatively

Agencies have instituted several efforts to pool resources to address water resource management. These recognize and draw on the technical and human resources each agency has to offer in meeting state needs. Joint efforts between the Pollution Control Agency and the Department of Natural Resources capitalize on the large number of DNR field staff to extend the PCA's abilities. Efforts include joint issuance of field citations for illegal disposal of wastes and joint involvement in

investigating and enforcing feedlot-related environmental violations. The Pollution Control Agency and the Department of Health coordinate their inspection of wastewater treatment facilities serving mobile home parks, resorts and campgrounds.

Efforts also have progressed to integrate financial assistance. The Board of Water and Soil Resources, the Pollution Control Agency and the Department of Natural Resources, for example, have consolidated some grants to local governments and grant administration into a block grant managed by the board. In addition, all water resource agencies are involved in reviewing requests for funding through the PCA's Clean Water Partnership and many review the board's challenge grant applications.

The Department of Agriculture delegates regulation of water applied pesticides to the Department of Natural Resources. The DNR issues permits and the departments coordinate compliance and enforcement efforts.

Interagency cooperation on the wellhead protection program covers data, technical assistance and guidance documents for managing contaminant sources. It includes the Pollution Control Agency and departments of Health, Agriculture and Natural Resources.

Partnerships Struck with Local Governments and Citizens

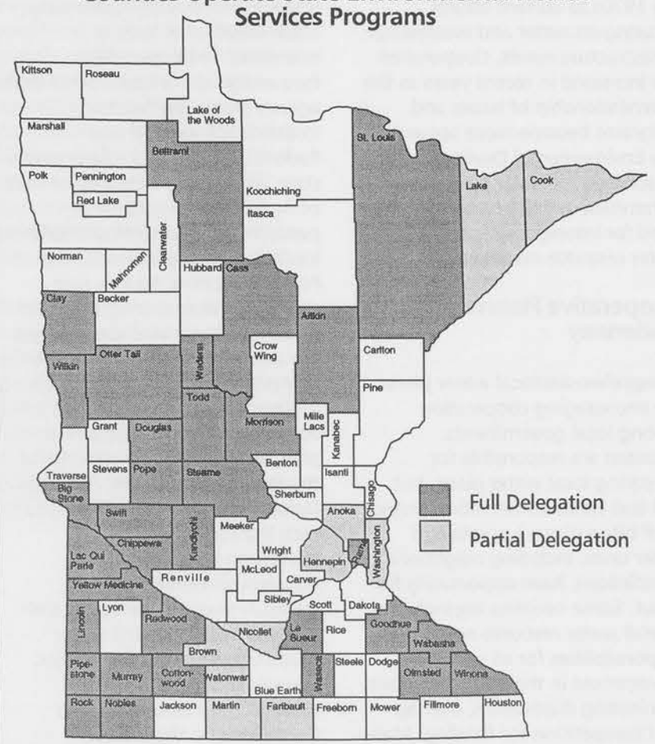
Agencies work closely with local units of government and citizens to accomplish goals. These efforts can streamline and integrate activities, decentralize programs and increase citizen's understanding of environmental issues.

The Department of Health forms partnerships with counties in running environmental health services and state well programs. The food, beverage and lodging program and manufactured home park and recreational camping area program are handled by 33 county health departments through delegation agreements. Another 10 handle just the food, beverage and lodging program. Nine counties in southeastern Minnesota handle portions of the state well program and an addition three counties are working with the department on agreements.

The Pollution Control Agency's partnership with the state's soil and water conservation districts calls for district assistance in inspecting construction sites for compliance with the agency's storm water permit program for construction activities. Another PCA effort delegates feedlot program authorities to counties. Other permitting efforts involving partnerships with local governments include the Department of Natural Resources' general permits for county bridge and culvert projects.

Several efforts unite agencies, local units of government and citizens in monitoring. Both the PCA and the DNR use citizen volunteers to help monitor lakes. The DNR has formed

Counties Operate State Environmental Health Services Programs



Source: Minnesota Department of Health

partnerships with local governments, such as the Heron Lake Watershed District, for stream gaging services and hydrologic modeling. The department's observation wells are measured by soil and water conservation districts under a cost-sharing arrangement. Districts also help manage the state's high density precipitation monitoring network, which involves a network of more than 1,600 volunteers. Ground water quality monitoring cooperatives have been developed between several state agencies and Minnesota counties, including Wadena and Stearns counties and nine counties in the southeastern part of the state. The Department of Agriculture cooperates with several counties on ground and surface water monitoring projects.

Agencies and local units also cooperate to solve problems. The Minnesota River Action Plan and Minnesota River Implementation Plan, spearheaded by the PCA, pulled together state and federal agencies, local governments and citizens to address water quality problems on the river. In turn, local governments developed the Minnesota River Joint Powers Board to protect and rehabilitate the river, recognizing that actions would be needed by all governments in the river basin.

The Department of Agriculture forms partnerships with local units of government to deal with waste pesticides and empty pesticide containers. Waste pesticides are collected annually in at least half of Minnesota's counties and empty container collection sites are available in all counties.

Partnerships Among Local Units Abound

Cooperative efforts are common among local units of government throughout the state. Units draw on each others strengths and roles vary greatly. Strong, multipurpose watershed districts in northern Minnesota often take the lead on projects, providing engineering and administrative services. In southern Minnesota, where watershed districts are smaller, soil and water conservation districts might supply contracting and administrative services for watershed districts. The state's multidistrict approach allows each area to devise arrangements that fit local needs.

Watershed districts, soil and water conservation districts, counties and cities work jointly on projects to solve water quality problems. Heron Lake in the southwest, the Wild Rice River in the northwest, Knife River in the northeast, Zumbro River in the southeast and North St. Paul in the Twin Cities area are but a few of the examples of local units working together to identify problems, develop funding proposals and define responsibilities. Team efforts for pesticide container collection also are common, with each area working out the unique structure that suits it best.

Local units also consult with neighboring jurisdictions through formal and informal groups. Examples include the Lake Superior Association of Soil and Water Conservation Districts and the Southeast Minnesota Water Resources Board.

Local units share staff and provide technical assistance to each other. Many counties arrange for soil and water conservation district preparation of local water plans and assistance in wetland, feedlot and other programs through formal and informal arrangements. Sometimes staff have duel appointments with a county and district. Other times district staff act as agents of a county. Some counties rely on soil and water conservation districts for agriculture-related and water quality expertise and some watershed districts rely on them to review erosion and sedimentation aspects of permits. Local units often share technical staff. For example, in northeastern Minnesota, a group of districts share an engineer hired with state funds. Other examples of shared technical staff among districts and counties include foresters and computer and wetland specialists.

Information Packaged for Customers

Agencies and local units of government are continually developing better ways to get pertinent, understandable information to citizens. Methods include reports, one-on-one contact and use of new information technology. In addition, many soil and water conservation districts serve as contact points for the public, directing them to the services and agencies they need.

The Department of Health develops manuals to help citizens interpret their regulations and sends newsletters to regulated parties. It also provides information on water quality in private wells to consumers at fairs throughout the state and at Department of Agriculture sponsored nitrate testing clinics. These clinics are coordinated with local governments and provide opportunities for agencies to deliver information

to the public and answer questions on a variety of ground water issues.

The Pollution Control Agency's *Ground Water: A Directory of Minnesota's Programs and Resources*, prepared jointly with the other water resource-related agencies, offers a good example of how programs of multiple agencies can be presented in a unified manner. The PCA's electronic bulletin board service provides public access to agency fact sheets, program guidance and lake information.

The Department of Natural Resources' *Water Talk* keeps local governments and the public informed about water programs and issues. The department also publishes data summaries and posts information on the University of Minnesota Soils Department's World Wide Web site.

The Minnesota Department of Agriculture's home page on the World Wide Web offers a good example of how information can be organized by issue instead of agency to serve customers. In addition to an overview of the department, a phone list of agency employees, a fresh produce directory, weekly crop weather reports, and a collection of department press releases, it contains a feedlot and manure management directory with a variety of information citizens might otherwise have to get from several agencies. The page includes:

- general information on feedlot permits, manure storage systems and manure treatment
- when feedlot permits are required and where the permits are available
- when feedlots are classified as a pollution hazard
- tips for filling out forms and a list of contacts, educational resources and references
- sources of financial assistance for conservation projects

Many local units of government also are developing Web sites to better serve customers. The Minnesota Association of Watershed Districts is developing a Web site that will include a separate page for each watershed district.

The Minnehaha Creek Watershed District's extensive Web site contains the Combined Joint Notification Form/Water Resource Application used by the district and other agencies for proposed water or wetland project. Applicants can download the form over the Internet, eliminating the need to go to the office or request it by mail. Electronic links to other permitting agencies also are made available. Reports, summaries of current projects, overall goals, minutes and schedules of meetings, and district rules and regulations all are available online. Developers planning the storm water management component of a project, for example, can learn the district's general storm water policies, the decision criteria used for storm water plans, and exhibits that must be submitted with a plan.

Norman Soil and Water Conservation District is developing a Web site containing the county local water plan, district activities and other information and is using computers to help landowners understand problems and make good decisions. The district has scanned U.S. Department of Agriculture aerial photos onto computer disks. Landowners can get copies of the files on their property on disk to study in the office or on their home computers, giving them the time to see and understand the effects of their operations.

Permitting Simplified

Both the Pollution Control Agency and Department of Natural Resources use general permits to simplify permitting, but the approaches are different. The PCA's general permits apply to categories of permittees whose operations, emissions, activities, discharges or facilities are the same or substantially similar. Applicants request these permits the same way as an individual permit, but decisions come more quickly. Under the general permit for storm water, project proposers can start work 48 hours after filing their application. The PCA's Division of Water Quality currently has more than 3,400 general permits in force, 88 percent of these cover storm water.

The Department of Natural Resources' general permits are issued to local units of government and allow more than one project to be conducted under a single permit. These permits were authorized by the Legislature in 1994 for "classes of activities having minimal impact upon public waters."

Bridge and culvert projects were identified as the most suitable activity for these permits. As of November 1996, 21 counties had received general permits for bridge and culvert projects and additional counties are working with the department to qualify. The ability to issue general permits to the general public was added in 1996. The DNR is identifying potential areas for these types of general permits.

The Department of Natural Resource, the Board of Water and Soil Resources, the U.S. Army Corps of Engineers and local governments have developed a joint permit notification form for projects affecting wetlands. Applicants can fill out one form and submit copies to all parties.

The Pollution Control Agency's project XL offers businesses great potential for simplifying compliance with environmental regulations. Authorized by the U. S. Environmental Protection Agency and a 1996 Minnesota law permitting pilot regulatory reform initiatives, project XL or eXcellence in Leadership, gives companies greater flexibility in meeting environmental goals in exchange for better environmental performance. The PCA and other agency permits covering air, water and land can be combined and designed to allow businesses to change their operations as needed. While the PCA's first XL pilot project with 3M has been suspended, the concept holds promise.

Decision-Making and Staff Disbursed

The Department of Natural Resources has been systematically decentralizing decision-making. While the number of Division of Waters staff outside St. Paul has held steady at 51 for the last six years, decisions made in regional and area offices and the field have increased. Ninety-five percent of permit decisions are made in regional offices, following changes instituted in the late 1980s. Permits with the potential for significant effects, such as those dealing with hazardous waste sites or for large appropriations, are still made in the central office.

In 1993, the Department of Natural Resources began a pilot project to further delegate decision-making to area offices and the field. Three areas — Grand Rapids, Fergus Falls and Spicer — were selected to examine the benefits of delegating select permit category areas from the regional to the area level. Also

Pollution Control Agency Issues General Permits

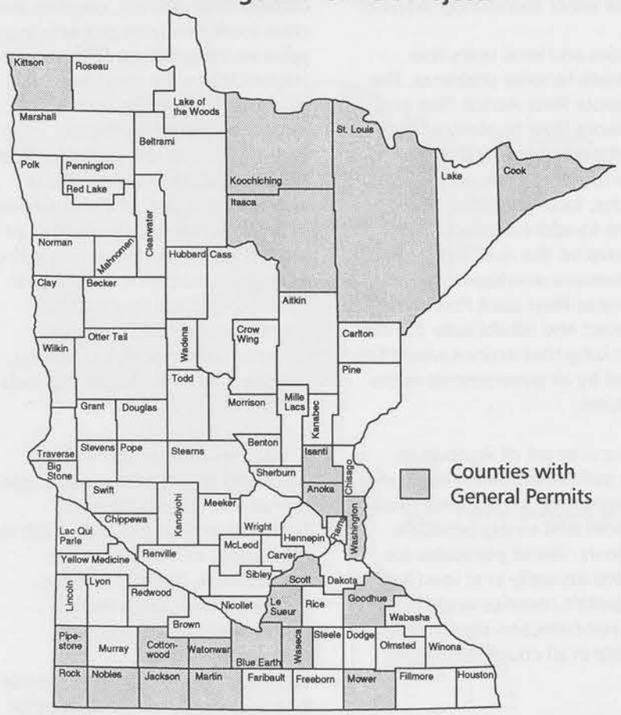
- Stormwater Industrial
- Stormwater Construction
- Non-contact Cooling Water
- Dredge
- Ground Water Pumpouts
- Wetscrubbers
- Water Treatment

DNR Delegates Decisions to Area Offices for Water Permits

Protected Waters:
- Filling
- Excavation
- Structures
- Water Level Controls
- Bridge and Culverts
- Intakes and Out Falls

Water Appropriations:
- Temporary Water
- Other Limited Classes

Twenty-one Counties Have General Permits from DNR for Bridge and Culvert Projects



Source: Minnesota Department of Natural Resources

involved is development of a series of permits where proposed projects meeting preapproved site and dimension conditions can be immediately permitted in the field.

The Pollution Control Agency began several actions in the early 1990s to move additional staff and activities to its regional offices. The agency formed a Regional Operations Division and regional compliance units to focus on regional service delivery and prepared a report and policies on expanded regional office roles. Staff covering such areas as leaking underground storage tank cleanup, tank compliance and assistance, and information and education were moved or added to regional offices.

Actions Oriented Toward Resources and Sustainable Development

Many efforts of state agencies and local units of government orient actions toward resources. Indeed, watershed, lake improvement and lake conservation districts are specifically designed for this purpose. The departments of Natural Resources and Agriculture and the Pollution Control Agency all use ecologically based regions for assessing problems and developing solutions. While their unique regions do not match, they are able to cooperatively deal with problems and deliver services. Joint state and local government efforts to focus on problems in the Minnesota River basin led to more than $5 million in cost-share funding for conservation practices in the basin in 1995. Approximately half of the Department of Agriculture's best management practice loan funds went to the basin.

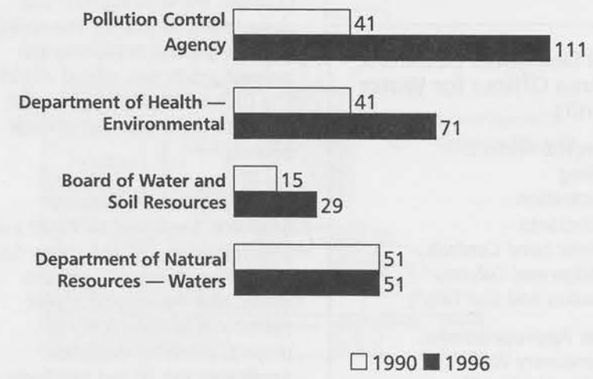
Not all agencies' efforts fit natural resource boundaries, and geographical areas appropriate for one problem or program might not be the same as that for another. For example, the area of concern for protecting a community's well could be quite different than the one to protect the quality of a nearby lake. State and local governments must form situational alliances with communities of common interests to accomplish goals, rather than organize according to one preset geographic structure.

Minnesota's efforts in sustainable development are recognized nationwide and are preceding rapidly. Begun in 1993, the state's efforts include recommendations from more than 100 citizen leaders on how the state can enhance economic opportunities and community well-being while protecting and restoring its natural resources. Legislation in 1994 created a 17-member Sustainable Economic Development and Environmental Protection Task Force composed of citizens and legislators. It recommended principles, goals and strategies for more coordinated, cost-effective and sustainable approaches to development.

The Minnesota Round Table on Sustainable Development is currently identifying the most important things the state can do to move toward sustainable development and setting priorities for action. It was approved by the Governor in January 1996 and consists of 30 leaders in business, civic and environmental organization.

Legislation in 1996 calls for Minnesota Planning to publish model ordinances and a planning guide for sustainable development at the local level. It also directs state agencies to describe how their mission and programs reflect and implement Environmental Quality Board adopted principles of sustainable development, or how they could be changed to do so. The EQB is to report agency findings to the Legislature by January 1997.

Agencies Increase Number of Field Staff



Source: Data provided by individual state agencies

Barriers

While agencies have made strides toward achieving the Legislature's goals and outcomes, barriers impede further progress. Inflexible funding sources and rules, planning that is unconnected to legislative decisions or efforts of other agencies and levels of government, differing regional structures and decision-making procedures, and lack of fiscal and technological capacity all inhibit change. In addition, legislative authorities and responsibilities for some issues are at times vested in multiple agencies with no one agency clearly in charge. These barriers can affect all outcome areas.

Agency Funding Can Restrict Change and Cooperation

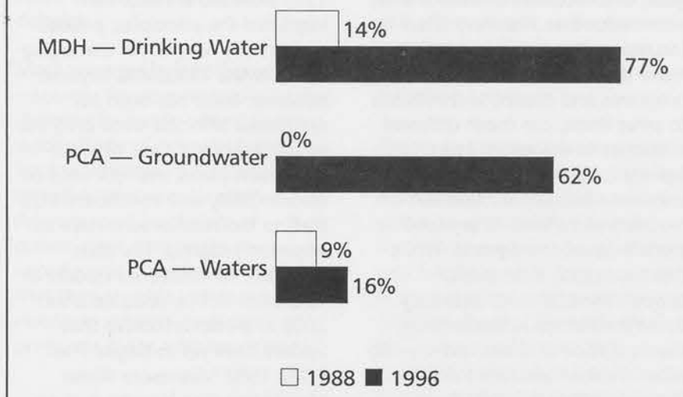
Funding for water resource management — and environmental programs in general — has become less flexible. Over the past two decades, funding has shifted from state general fund and federal dollars to fees. Dollars from the state general fund fell from 74 percent of overall spending in 1980 to slightly more than 50 percent in 1993 and the proportion of funds from this source has continued to decline. General funds for the Department of Health's drinking water protection program shrank from 57 percent in 1988 to zero in 1996. While fees can be a stable source of funding, they also can reduce flexibility. The Minnesota Environment and Natural Resources Trust Fund, established in 1988, was expected by some agencies to provide a stable source of funding for long-term water-related needs. While a variety of shorter term water projects have received funding, long-term monitoring needs have not.

Money from fees often is restricted to activities directly related to the purpose of the fee, limiting agencies' abilities to undertake cooperative efforts. The Department of Health drinking water protection regional personnel could fulfill some of the Pollution Control Agency's program needs, except that funding restrictions prohibit them from working in areas outside their program. Such restrictions also can limit agencies' ability to assign staff to interagency coordination, emerging issues and crises.

Fees and funding by program can lead to a fragmented water resources management effort. Fee payers expect that their money is buying a product or service, such as a permit, and balk at any expenditures not directly related to that product. Well drillers resist use of fees for training. People paying water appropriation fees want money to go directly to their needs, not the state's general fund. Few program funds allow staff for general or statewide policy development or allow managers to reassign staff as priorities change. Fees paid to the Petroleum Tank Release Cleanup fund can only be used for the narrow purposes defined in law, regardless of priorities. Basing programs solely on fees defines the fee-payer as the primary customer, ignoring the state's main water resource customer, the general public.

Funding techniques could become more of a problem as the state considers how to cover federal budget cuts. If cuts are covered by program-specific fees with tight spending restrictions, agencies' abilities to coordinate and cooperate with each other and with local governments and to orient efforts toward sustainable development will be further hampered. The state should seek ways to retain the positive side of fees while allowing flexibility to use funds on related activities and coordination efforts.

Percentage of Funding from Fees Goes Up



Source: Data provided by individual agencies

Statutes and Rules can be Difficult to Change

Statutes, rules and programs often are designed to benefit or respond to special interests, making them difficult to change. Competing

interests want to make sure that changes will not adversely affect them or their concerns. Studies, numerous legislative hearings and lengthy procedures often are required to change statutes and rules. This advocacy system ensures that all sides of issues are heard, but does impose resistance to change.

It took six years from the first study recommending merger of the Water Resources Board, the Soil and Water Conservation Board, and the Southern Minnesota Rivers Basin Board to creation of the Board of Water and Soil Resources — and this followed several studies in the preceding ten years recommending some degree of merger. The Waste Management Board, established in 1980 primarily for siting a hazardous waste facility in Minnesota, evolved into the Office of Environmental Assistance following several years of debate over whether it should be autonomous or merged with the Pollution Control Agency and a 1988 governor's executive order dissolving it. Change is particularly difficult when competing interests see their positions threatened.

Some inflexibility is tied to federal laws and regulations, since many state environmental laws and programs are tied to federal ones and federal dollars. Delegation of authority under the Clean Water Act, Safe Drinking Water Act, Federal Insecticide, Fungicide and Rodenticide Act, and other federal programs comes with mandates that can be overly prescriptive. The Clean Water Act, for example, requires that all National Pollutant Discharge Elimination System permits expire in five years, creating heavy workloads, backlogs and burdens on permittees. Many of these permits could be issued for longer durations without negatively affecting the environment.

The time required for rule changes through the Administrative Procedures Act also inhibits change. Minor rule changes take at least six months and noncontroversial changes handled through an Administrative Law Judge take more than one month, even though the Attorney General's office has already reviewed the issue. A recent problem discovered with an air-testing provision of the plumbing code will require a long process to correct a small provision. While the Administrative Procedures Act does eliminate litigation and is better than the courts for resolving disputes, simpler processes could be developed for minor and noncontroversial changes.

Planning can be Unconnected Among Agencies and With Legislative Process

All agencies plan and many are currently involved in strategic planning and internal reorganization efforts, but these efforts are not guided by an overall set of goals or directions nor coordinated with each other. Planning often focuses on programs and how to make them better. Different programs and clients, and missions to serve them, can mean different messages to the public from agency to agency or division to division. Attempts at more far reaching plans tend to produce plans that are too general. While there are many examples of cooperative planning, including those mentioned in the Improvements section of *Crosscurrents*, too often these efforts lack follow through or commitment from affected agencies.

Many planning efforts are not coordinated among agencies. The Environmental Quality Board and its Water Resources Committee, intended as the forums for discussion of interagency issues, are not being used to make connections among planning efforts. The administration established environmental cluster has improved communicate among agencies on programs and problems, as have informal monthly meetings of agency water managers. All agencies involved in water resource management reported internal strategic planning efforts and the Pollution Control Agency and the Department of Agriculture are involved in extensive reorganization. However, these efforts and their guiding principles are not systematically discussed among agencies nor are overall goals or connections developed. While the Department of Agriculture has administered a nationally recognized sustainable agriculture program since 1987, most agencies lack a clear understanding of sustainable development and how it applies to their programs.

The Environmental Quality Board's 1991 Minnesota Water Plan identified the principles, policies and actions needed for managing water in the 1990s and beyond; however, there has been no systematic effort to track progress or foster actions. Lack of implementation plans, multiple lines of responsibility and insufficient EQB staff to facilitate actions have all impeded progress. The plan, originally scheduled for update in 1995, will not be updated until 2000 and efforts toward that update have yet to begin. The EQB's 1992 Minnesota Water Monitoring Plan likewise had no systematic follow through and was little used. Some elements of both plans have been implemented by individual agencies and a current interagency effort to develop a unified water resource monitoring funding proposal might indicate a trend toward greater connections among agencies. However, this latter effort is not being developed through any permanent coordinative body.

Legislatively required plans are seldom used in budget discussions or policy debates, discouraging agencies from devoting time or resources toward them. Agencies report that most legislators lack knowledge of plans and their content. The Legislature requires more than 18 specific water resource-related plans or reports. These are in addition to the biennial performance reports, which must contain goals, objectives and performance measures, biennial budget documents, which must contain agency missions and proposed activities, and reports and plans required by the federal government. Several of these plans and reports call for policy recommendations, status reports and needs assessments that could be of great value to budget and policy debates.

Most agencies lack sufficient resources for coordinated planning. Planning is usually added to the work efforts of current staff, leaving little time for internal, interdivisional coordination. Agencies and local units of government participate in coordinated planning to the extent that they are able within available resources. Maintaining core programs takes a higher priority.

Authorities Sometimes Unclear and Overlapping

Programs evolved as the state began to understand the connections among issues and environmental programs. Agricultural programs expanded to cover environment effects and mitigation as well as promotion. Pollution control went beyond the traditional industrial and municipal dischargers to concern with nonpoint source pollution and the actions that all people take. Safe drinking water could not be ensured without concern for programs of other agencies and actions of land and water resource users. All agencies became concerned with land use. Programs began to blend at the edges.

The Legislature recognized this blending, and the need for involvement of multiple interests in issues, by giving funding, programs and authorities to multiple agencies. Sometimes, however, this approach has led to confusion, mixed messages and potentially inefficient use of resources. For example, recent legislative changes give the Office of Environmental Assistance broad responsibilities for environmental education for pupils and other citizens, calling into question its role vis-a-vis other agencies and the Minnesota Extension Service.

Grants and loans for water-related projects are provided by more than eight entities. Nonpoint source pollution control efforts can be funded through the Board of Water and Soil Resources' cost-share and challenge grant programs, the Pollution Control Agency's Clean Water Partnership and 319 programs, the Department of Natural Resources' shore land grants, the Department of Agriculture's grants and loans, the Metropolitan Council's nonpoint source grants and the Legislative Commission on Minnesota Resources, among others. Some of these programs were added by the Legislature recently. Currently more than $11 million is available each year for water-related grants and more than $15 million is available in loans, excluding grants and loans for wastewater treatment projects.

Criteria for some programs overlap and local governments apply to various programs for the same project in hopes of getting funding. Time frames for submitting applications often differ, as do requirements places on recipients. For example, some programs require adoption of ordinances to go along with cost-share funding, while others do not. Priorities are not consistently based on overall state needs or resource plans.

Overlapping authorities for wetland management have developed as programs to provide greater protection of dwindling wetland resources were implemented. Federal, state and local agency programs were authorized separately over time. Agencies have used memoranda of understanding, a joint permit notification form and multi-agency coordination meetings to address many of these jurisdictional overlaps.

The Legislature gave responsibility for developing best management practices for nonpoint source pollution to the Pollution Control Agency and the Department of Agriculture, with the latter covering agriculturally related practices. However, nonpoint source pollution control does not neatly fall into these categories. The Department of Agriculture is developing best

management practices for urban areas covering lawn care products, grass clippings and leaves, and the Department of Natural Resources develops forestry practices in conjunction with the PCA.

Even for issues where one agency has the lead, the Legislature might give funding to other agencies for related work. While the Pollution Control Agency regulates feedlots, the Legislature gave the Department of Agriculture funding for a feedlot model ordinance without requiring or providing resources for PCA involvement. Responding to concerns of producers over the PCA led remedial action and implementation plans for the Minnesota River, the Legislature gave money to the Department of Agriculture to facilitate producer involvement and reevaluate plans.

Memoranda of agreement and understanding are sometimes used by agencies to better define the edges. These memoranda allow flexibility in policy-making and form a cooperative rather than confrontational approach. However, memoranda are not developed in the same open manner as laws and rules. There is no input from citizens, legislators or non-participating agencies. There are no public or administrative announcements of these policies. Methods of enforcement are often unclear, as are methods of passing information about agreements to new staff. Most agencies maintain no overall listing or file of agreements.

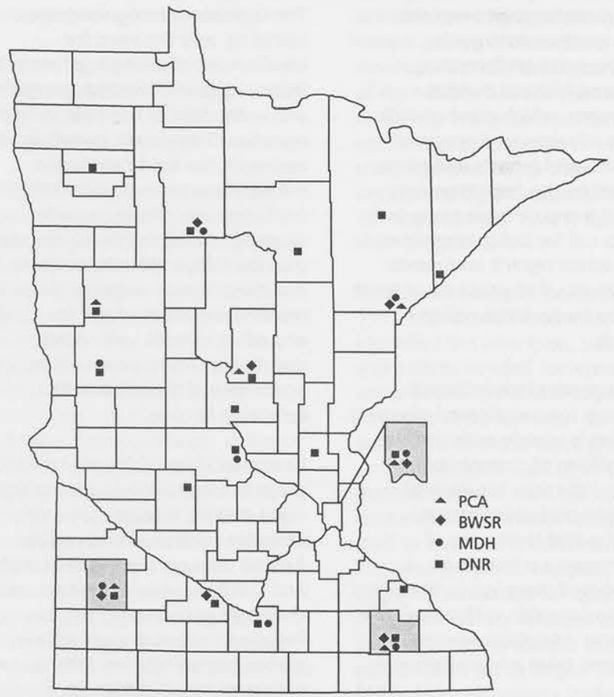
Memoranda include agreements among the Department of Health, the Pollution Control Agency, and the Departments of Agriculture for wellhead protection, and between the PCA and the Department of Health for individual sewage treatment systems and release of hazardous substances. Agreements between the PCA and the Department of Natural Resources cover investigation and enforcement of feedlot-related environmental violations, nonpoint source pollution control and ground water at contamination sites. Other agreements involve the Board of Water and Soil Resources, the Metropolitan Council and the U.S. Army Corps of Engineers.

Agencies have Different Regional Structures

Four water resource management agencies — the departments of Natural Resources and Health, the Pollution Control Agency and the Board of Water and Soil Resources — have staff assigned to regional offices, but these offices are rarely in the same towns, let alone the same buildings. Only Rochester is home to regional offices of all four agencies. When DNR subregional or area offices are included, the number of communities with all four agencies increase by one to include Marshall. These separate regional offices make it difficult for agencies to coordinate activities and integrate permitting and other services for clients.

Regional structures were developed to meet the unique needs of programs and customers at a time

Locations of Agency Offices Show Little Overlap



Source: Data provided by individual state agencies.
See map on page 12 for county names.

when connections among agencies' efforts were less recognized. The PCA and the Department of Health focused on their permittees, while the Board of Water and Soil Resources' customers were local governments and the DNR's were citizens and governments using the state's resources. Any connections deemed necessary were worked out in St. Paul. Now, as decision-making becomes more decentralized and local governments become significant players in many programs, the need for collocation is becoming more apparent. Agencies recognize that they must reach all citizens to deal with such issues as wellhead protection, nonpoint source pollution and sustainable development. And customers want the state's position and requirements on wetlands, feedlots or building a new manufacturing facility when they visit a state office, not just one agency's.

While the public has consistently requested "one-stop shopping" through the CORE report and elsewhere, very little action has taken place to collocate regional facilities. Neither the executive nor legislative branches has provided the leadership or resources for office mergers. When a University of Minnesota owned complex became available in Rochester that could have housed all of the agencies' regional staffs, for example, the state did not act to secure it.

Data and Communications Systems are Unconnected Among and Within Agencies

Telecommunications technology — e-mail, teleconferencing, remote computer access, the Internet — allows all offices and staff of an agency to operate as a single unit, no matter where they are located. They can access the same data, participate in joint conferences and meetings and confer on permit decisions just is if they were in the same office. These technologies also allow better coordination among agencies and allow the public to more seamlessly access information at any state office. Yet, most agencies and local governments lack the resources to take full advantage of telecommunications technology. In addition, different information coding systems make data hard to use.

World Wide Web sites, which offer an excellent way for the public and agency staff to get information, are underused. The Internet connects people to information without them physically traveling from one agency and location to another or even knowing they have dealt with multiple agencies. It can be a unifying tool to reach customers with integrated water resources or environmental information. While agencies are actively working to build home pages — Web sites providing access to the agency or "home"— there is little emphasis on coordinating or integrating sites or creating seamless access for customers to water resource information across agencies or programs. An interagency request to the Legislative Commission on Minnesota Resources to develop integrated joint Web sites was not funded; however, agencies continue to discuss the need. Some agencies have received funding to develop sites, but for most funding is scarce.

While the Department of Agriculture's home page section on feedlots offers a good example of how information can be organized by issue instead of agency, local governments and others who know the Pollution Control Agency has primary responsibility for feedlots might not think to look to the department's page for information. Agencies have formed an interagency team to address Web site coordination and links.

Different data collection and management systems make access to and use of state information difficult. Water data collection efforts were designed to serve the needs of specific programs and clients, with little thought to how information might be used by or useful to other efforts. Data processing systems were funded through their respective programs, many of which were based on federal objectives and funds, for core program needs. Thus design and content are governed by program needs and funding sources. Broader purposes and the additional funds necessary to reach them are generally not considered.

Existing systems — both within and among agencies — are difficult to change. Efforts to develop and promote a common system for unique identification of wells, for example, began in the mid-1970s. Collaboration among state agencies over time led to a standard way to distinguish one well from another. This effort for well numbering avoided the situation which exists for streams where several approaches were developed independently. Two stream numbering systems are still in use.

The Legislative Commission on Minnesota Resources requires data compatibility for all projects receiving its funds, but these standards are not consistently enforced. Systems funded from other sources may have been required to meet other standards. State law now requires all systems to be compatible with the Land Management Information Center's standards. However, many older systems will need considerable investments to comply and standards have not yet been developed for all types of data.

Past and current efforts to coordinate and integrate information include the Ground Water Clearinghouse, the Integrated Ground Water Information System and the Pollution Control Agency's project DELTA. While early discussions in the 1980s called for having all data in one place, the different formats and varying quality-control procedures made this level of integration impossible. For example, data used for litigation is held to higher standards of quality control than that used for assessments and trends. The Ground Water Clearinghouse is currently being designed to take advantage of the Internet. Instead of housing data on one system, the clearinghouse will smoothly deliver data from multiple sites to the user's computer.

Even efforts to link systems within agencies are difficult. New systems, such as the PCA's project DELTA, designed to link all permit and enforcement data within the agency, are developed using the latest hardware and software, making ties with older systems difficult. These older systems must be reconstructed to be fully compatible with new ones. In addition, both DELTA and other intra-agency tracking systems, such as the Department of Agriculture's ADAMS, were not designed for links to or uses by other agencies.

These discreet systems make access to and use of information about specific parts of the state difficult. Callers looking for information on the quality, supply and stressors of water resources in a given area must contact many programs in several agencies to determine what is available and how well it matches their needs. When the incidence of brain tumors in a Minnesota town came under question, the Department of Health, the Pollution Control Agency and the affected county had to hire a student worker to pull the necessary information together to assess the situation.

Many data systems are not automated. In 1993, when the Department of Natural Resources experimented with the idea of putting all available water-related data on a particular lake into a "lakeshore owner's report," they found that the lack of computerization of many records and the lack of standardization among governmental data systems made preparation impractical. The DNR was unable to provide this information to the public on a wider basis.

Decision-Making Still can be Cumbersome

Despite efforts of some agencies, many decisions still are made in central offices. The need for central office staff to come to meetings or visit project sites can cause delays, particularly in those parts of the state that are four or more hours from St. Paul.

Local governments report difficulties getting timely decisions from the state. Problems include conflicts between central and regional office positions, too many divisions and agencies involved and too much reliance on consensus as a decision-making tool. They report lack of clarity as to which agency or division within an agency has the final say on the decisions.

Sometimes the wrong people are at the table. Both in meetings with local units and committees of state agency staff, participants are at times not the people with authority nor are they given the authority to make decisions for their respective agencies.

Lack of Resources can Hamper Local Efforts

While many programs are best implemented at the level local, having the necessary resources can be a problem. Lower pay, lower benefits and lack of job security can make employee retention difficult. Some soil and water conservation districts report high turnover, as staff leave for the security and better pay and benefits of county employment once they are trained. Some local governments believe the support offered by the state for local water planning, feedlots, wetlands and other efforts is not sufficient for the tasks.

Some programs requiring local involvement demand highly experienced staff that can be difficult for all counties or districts to recruit, both due to costs and availability. One example is agricultural nutrient management, where experienced staff are not available for all counties or soil and water conservation districts. In addition, state agencies often lack the resources to deal with the large number of local units. Joint efforts by the departments of Health and Agriculture, the Minnesota Extension Service and counties to test wells for nitrate levels can only reach 20 counties per year.

The state's community health services system solved some of these problems by combining into 50 Community Health Boards to serve the entire state. The system, created in 1976, combined hundreds of local boards of health under a shared mission statement between state and local public health agencies.

Lack of available technology also is a factor. Many local units of government lack the computers, modems, Internet connections and other resources to communicate efficiently and effectively with each other and the state. Even lengthy photo development services in more remote areas can increase the time it takes to get information to decision-makers, a problem that could be cured with digital cameras and images sent by e-mail.

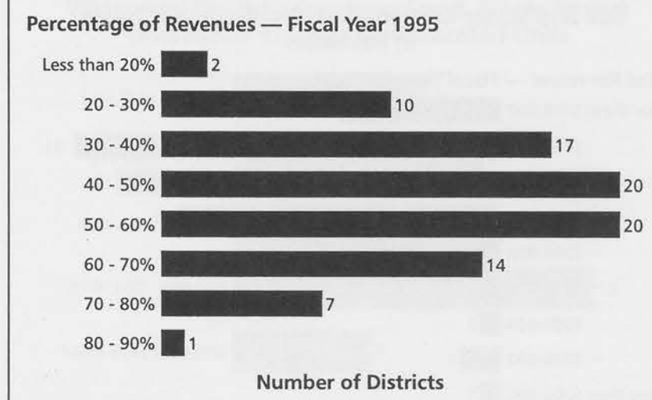
Special Purpose Districts are Difficult to Modify

Special purpose districts vary greatly in size, resources and level of effort. Some watershed districts have annual levies and aids in excess of $500,000, while others have less than $5,000 and some are inactive. Total annual revenues for many soil and water conservation districts are less than $150,000, but some exceed $500,000. In addition, soil and water conservation districts receive 50 percent of their revenues from counties, on average, and for some more than 70 percent. Most other district funding comes from the state.

Districts are sharing staff and services with each other and counties to stretch resources, but future budget tightening and need for specialists to deal with complex environmental issues might necessitate new governmental arrangements to get the job done. Possibilities include districts merging with neighboring districts and counties taking on functions of smaller districts. But the procedures for consolidating, terminating or changing the boundaries of soil and water conservation districts, watershed districts and watershed management organizations are cumbersome and there could be fiscal penalties.

The Board of Water and Soil Resources is charged with determining the feasibility of any proposals to consolidate or terminate soil and water conservation districts or watershed districts. It can divide and consolidate soil and water conservation districts without a hearing or referendum; however, the process for forming the divided or consolidated district board is as complicated as initial district establishment. Petitions and referenda are required for consolidations and terminations initiated by districts.

Soil and Water Conservation Districts Rely Heavily on County Funds



Source: Board of Water and Soil Resources

Options

Changes are needed to Minnesota's water resource management systems to make them more streamlined, simplified and responsive to customers' needs and sustainable development principles. Findings of past studies highlighting the need for better coordination, focus and planning are as valid today as they were in the 1970s and 1980s. The past improvements and barriers noted in *Crosscurrents* can provide building blocks for options to address the Legislature's goals and objectives, as well as these past findings. *Crosscurrents*' 10 options are directly related to water resource management efforts, but, in many ways, apply broadly to the state's environmental and natural resource management systems.

1 Continue to Build on the Current Management Structure

Citizens attending the Environmental Quality Board sponsored meetings and contacted as part of *Crosscurrents* expressed little desire for major changes in the state's current water resources management systems. They believe that little could be accomplished by combining all efforts within one agency and are concerned that the checks and balances and opportunity for citizen input provided by the multiagency approach would be lost. Coordination within agencies already can be difficult and local units report having to deal with multiple sections and divisions that sometimes are unfamiliar with each other's programs. Combining and enlarging agencies could serve to exacerbate these problems. Financial costs of combining agencies and their regional structures would be high.

In addition, there is no clear evidence that other organizational structures would better achieve outcomes. Structures across the county vary — from a multiagency approach being fashioned by Michigan out of a previously more unified system to Wisconsin's more all encompassing Department of Natural Resources. However, states with more consolidated structures still tend to leave key parts of environmental protection out. Wisconsin's DNR, for example, does not include the pollution control programs of the state's agricultural department. Even more agencies must be involved to address sustainable development, including departments dealing with transportation and economic development. As more of the interconnections among issues are realized, coordination, unified state missions and visions become the only workable alternative to achieving outcomes.

To be successful, the current system must be better coordinated and unified through common missions and plans. The state could revitalize the Environmental Quality Board as a forum for agencies to develop collective missions and coordinated plans for the state's water resource management. It could reexamine the purpose of the EQB and institute changes to improve the board's effectiveness. In addition, agencies must be given the flexibility to use funds for coordinated efforts and changing customer and program needs if outcomes are to be achieved.

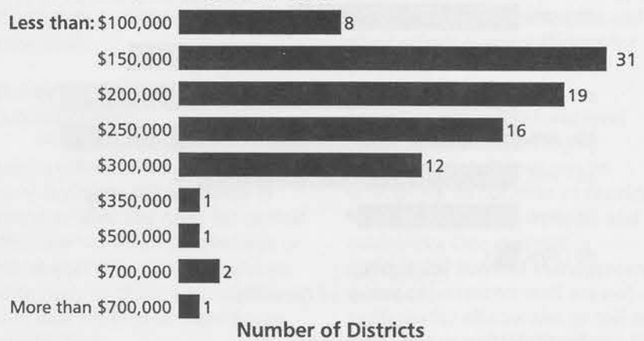
2 Develop a Multi-Year Plan to Merge Regional Offices

Merged regional offices could improve interaction among agencies and better serve customers. Staff can gain knowledge of overall state programs and citizens can gain access to information and experts from all agencies in one spot. Agencies also can share clerical and other services, including vehicles, some personnel services and computer specialists, and infrastructure.

Wisconsin is endeavoring to decentralize its Department of Natural Resources to 35 service centers over the next three years. Most people will be within a 30-minute drive to a center and most centers will be open selected evening and weekend hours. Three centers currently are operating as pilots. This scale of decentralization is costly in disruption of staff and morale, as well as dollars.

Minnesota could pursue a smaller number of joint regional offices, or service centers, and partner with local units of government to provide additional sites of access to state information and systems. It could develop a decentralization and collocation strategic plan for all agencies to be implemented over a five- to 10-year period. The plan could call for taking advantage of opportunities for collocation as they arise, as well as pilot centers. Rochester, Duluth, Marshall, Bemidji or Brainard could be considered for pilot centers, since several agencies have regional or area offices in these cities. These efforts would require significant capital investments.

Soil and Water Conservation Districts Vary Greatly in Revenues



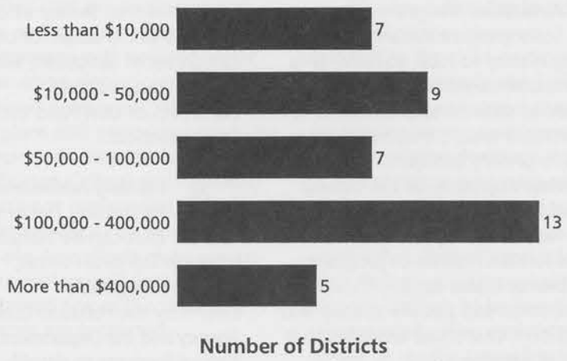
Source: Board of Water and Soil Resources

3 Simplify Procedures for Modifying Special Purpose Districts

Current procedures for modifying special purpose districts are cumbersome and as complicated as procedures for establishing them in the first place. The state could simplify these procedures, giving local units the tools to make the best arrangements for their situation and enabling them to better respond to changing needs.

Wisconsin eliminated all of its soil and water conservation districts and assigned their duties to counties and Nebraska consolidated more than 150 districts into 24 natural resource conservation districts. These "one size fits all" solutions do not fit Minnesota's diverse geography and variety in special district size and level of effort. While merging with counties might be advantageous for some smaller soil and water conservation districts or watershed districts, mergers with neighboring districts might make as much or more sense, particularly where experts are needed. Merged districts might be able to hire experts in several fields, rather than having to hire one person to fit several roles.

Watershed Districts Vary from Small, Single Project Operations to Large Multi-Faceted Units



Source: House Research Department, *Special Taxing Districts,* 11/93

Modification to existing procedures could include allowing units to merge into larger combined resource districts, eliminating or reducing petition and referenda requirements and providing for interim merged boards. The Board of Water and Soil Resources could take a more proactive role in identifying opportunities for mergers. It could work with units to facilitate efforts, as the Board of Government Innovation and Cooperation does with general purpose governments. It could take the lead to help units explore approaches, identify costs and map out a transition plan to the new structure. Feasibility studies could be undertaken early in the process so citizens have a clear understanding of what the merger will entail.

The state could provide incentives, similar to those used to foster school district mergers. It could provide funding to help defray actual costs of mergers and keep state funding levels to the merged unit at levels no lower than previously provided to the separate units for an interim period. The state also could provide funding for feasibility studies, once units resolve to consider consolidation.

These changes would enable local governments to better respond to changing fiscal, water resource, technology and staffing needs. However, it could lead to a hodgepodge system of units and responsibilities across the state that would be hard for citizens and state agencies to negotiate. For example, one area might eliminate its soil and water conservation district and fold its functions into the county, while another area might have a four-county super soil

and water conservation district. Additionally, continued representation of affected parties in the new structures, such as those assessed for a watershed improvement project, would have to be ensured.

4 Build on Local Water Planning

County comprehensive local water plans can be the vehicle for defining roles and responsibilities at the state and local level, regardless of the adopted local level structure. Some plans, such as Benton County's, clearly identify the responsibilities of all local governments within the county. Others do not. Using the water plan to serve this function would allow citizens and state agencies to easily ascertain roles at the local level.

These plans also could form the basis for all environmental information in local sustainable development plans. They should contain information on all aspects of water resource needs in the county, including the water supply and wastewater treatment needs of cities. Water plans are used as a criterium for many grant and loan programs. They could become a more significant one as plans become more detailed. The state could explore other ties to these plans, including higher environmental review thresholds and streamlined permit and approval processes for projects in local water plans.

5 Enhance Coordination Among Agencies

While local water plans can be the vehicle for defining roles at the local level, no similar tool exists at the state level. The *Minnesota Water Plan*, produced every 10 years, can serve to define overall objectives for the state but not day-to-day roles.

Citizen and local units of government must know who is in charge and whom to contact. Efforts among agencies also can be better streamlined and integrated if responsibilities are clear.

The Legislature, or agencies collectively through the Environmental Quality Board, could designate lead agencies for various activities. For example, one agency could coordinate monitoring and another grant applications or feedlot issues. The lead agency would be responsible for bringing agencies together to address conflicts and facilitate decisions. Agencies could build upon their current effort to coordinate biennial budget requests for monitoring by developing joint goals and outcomes for their efforts. In addition, agencies could maintain electronic listings of memoranda of agreement and understanding with a summary of the issue, responsibilities assigned, date enacted and next review or expiration date.

The Environmental Quality Board could systematically review implementation of the *Minnesota Water Plan* and foster actions by appropriate agencies. It could be the forum for discussion of agency missions and joint development of overall goals and priorities for water resource management.

6 Integrate Financial Assistance Programs

State grant and loan programs providing money to local governments and individuals could be better integrated to streamline procedures for applicants and ensure that moneys are directed to priority problems. The state could review objectives of the various grant and loan programs on a biennial basis to reduce overlap and ensure that purposes remain distinct or programs are combined. It also could set overall priorities, stress top priority actions and use consistent cost-share amounts that apply to all programs.

One agency could be designated as the contact for all grant and loan programs and manage all applications. Deadlines and application forms could be standardized. The agency could screen preliminary applications and guide applicants to appropriate programs, similar to the process the Department of Trade and Economic Development uses for economic development grants and loans. A single committee composed of representatives from all pertinent agencies could review applicants and make funding recommendations. Financial assistance for water-related efforts funded through the Legislative Commission on Minnesota Resources, the Board of Government Innovation and Cooperation, the Office of Environmental Assistance and other state sources also could be reviewed by this committee.

In addition, certain grant programs could be combined. A committee is currently reviewing financial assistance programs for individual wastewater treatment systems to determine possible program consolidations. Similar efforts could be undertaken for other categories of assistance with overlapping program objectives or that fund the same practices.

7 Identify Additional Permitting Decisions that can be Handled through General Permit, Rule or Delegation

Efforts by the Pollution Control Agency and the Department of Natural Resource to simplify permitting could be continued and expanded. All agencies could evaluate their permitting and other decision processes to identify elements that could be handled through general permits, rules and delegation to regional or field staff, local units of government and the general public. These approaches reduce workloads and encourage particular kinds of actions, since a project must conform with the conditions of the general permit or rule to proceed under this process. Projects can proceed more quickly and permittees know that projects will be approved if conditions are met.

The Department of Natural Resources' general permits for bridge and culvert repair and replacement could be expanded to include additional counties. Other DNR efforts that might lend themselves to general permits include erosion control projects conducted under soil and water conservation district developed plans, installation of dry hydrants for local fire protection efforts, and winter stream crossings on public forest lands. The Pollution Control Agency could pursue permitting certain feedlots by rule.

The approach could be to decentralize, delegate and issue through general permits and rules decisions that are routine and of minor environmental significance. Conformance with soil and water conservation district plans, shoreland ordinances and other local plans and ordinances could be an important criterion for judging significance. Critical decisions and projects not conforming to defined conditions would be made centrally. Any efforts must ensure that consistency of decisions is maintained across the state and resources are protected.

8 Seek Waivers from Federal Mandates

Strings Attached: the Price of Federal Mandates, prepared by Minnesota Planning in November 1995, identified many of the federal mandates affecting the state and recommended steps that could be taken to address them. It suggested that agencies review the purpose and intent of federal mandates regularly to determine if desired outcomes are being achieved. It also urged agencies and the executive branch to aggressively seek waivers from outdated and ineffective mandates and regulations.

Agencies could pursue these steps by identifying outdated and ineffective mandates and federal requirements that are inconsistent with Legislature's goals and outcomes. They could propose more efficient ways of implementing the mandates and requirements and outline actions needed to institute change. One requirement in need of change is the five-year maximum length the U.S. Environmental Protection Agency places on National Pollutant Discharge Elimination System permits.

9 Invest in Technology

Technology can be an important key to achieving many of the Legislature's outcomes. It can be particularly valuable for coordinating efforts, decentralizing service-delivery, improving access to information and expediting decisions. For regional offices or service centers to function properly, they must be connected to central offices and each other. Training and information that must be provided to all agency staff could be handled electronically. Files and databases could be readily accessible from any location.

Technology also could hook local government offices with the state so that citizens can stop at county, soil and water conservation district or watershed district offices to get information and permit applications. Citizens could even leave an e-mail question or have a "teleconversation" with regional or central office staff.

The state could develop a technology improvements plan. It could include a schedule to connect all offices and local units of government. It could identify key equipment needs to streamline permitting and decision-making, such as digital cameras and portable computers and modems for field use and teleconferencing to "transport" needed central offices staff to the field. The plan could build on such existing services as emergency on call, which includes all agencies, and the wetland hotline being developed by the Board of Water and Soil Resources.

Agencies could develop unified, interconnected Web sites so that citizens can seamlessly navigate through the state's water resource management system. These could contain permit applications, procedures, general permit conditions and resource data, to name only a few possibilities. Sites could be accessed at central and regional offices, local units of government and any other location with computers linked to the Internet.

As technology is developed, and databases expand, the state should ensure that systems among and within agencies and units of government are compatible. The state could adopt a standard set of geographical codes so that information can be easily used.

10 More Fully Integrate Sustainable Development into State Efforts

Minnesota has come a long way in establishing a policy planning framework for sustainable development, but several actions would help to more fully integrate this concept into the state's efforts. *Challenges for a Sustainable Minnesota*, prepared by the Environmental Quality Board in 1995, laid out a draft mission and principles. This draft could be revised, as necessary, and formally adopted so that it could be used by agencies in rethinking how their missions and programs support sustainable development. The EQB also could develop methods for evaluating how well policies and programs promote sustainable development.

Long-term planning and goal setting for sustainable development are inhibited by single-issue mandates and funding that restricts agencies' ability to collaborate across programs and agency lines. The Legislature could relax its programmatic approach to funding and instead mandate specific outcomes, leaving executive branch agencies and local governments to jointly work out how best to achieve them.

Sustainable development also requires that environmental and economic issues be addressed together. However, the main state body responsible for coordinating sustainable development efforts within the executive branch — the Environmental Quality Board — is perceived as being concerned only with environmental issues. The Legislature could add the Department of Trade and Economic Development to the EQB to address this issue.

State Structures

State Agencies and Local Government

Actions of most state agencies can influence water resources, including building a highway, siting a new correctional facility or providing a loan for an industrial park. But responsibility for ensuring that water resources are protected and managed properly is vested in traditional resource agencies. In addition, more than 20 formal state-level boards, councils and task forces deal with water resource related issues.

Six State Agencies Play Key Roles in Water Protection and Management. Four of these agencies — the departments of Natural Resources, Health and Agriculture and the Pollution Control Agency — serve multifaceted roles. All four have responsibilities for regulation, technical assistance, financial assistance, monitoring and setting standards for activities and resources. But each has specific state-established responsibilities and others assigned through federal law.

The Department of Natural Resources administers water quantity and other resource management efforts, including programs affecting fish, wildlife, recreation, minerals and forestry. The Department of Health deals with health risk, wells, wellhead protection and drinking water and has responsibilities through the federal Safe Drinking Water Act. Pesticide and fertilizer regulations, as well as a selected number of other agricultural issues including sustainable agriculture and integrated pest management, reside with the Department of Agriculture. The department is responsible for implementing the federal Insecticide, Fungicide and Rodenticide Act in Minnesota.

The Pollution Control Agency dominates the water quality management arena and is responsible for implementing the federal Clean Water Act in the state. Portions of the federal Resource Conservation and Recovery, the Comprehensive Environmental Response and Liability and Clean Air Acts, all administered in Minnesota by the PCA, also deal with water quality. The PCA is the only one of the four governed by a citizen board; however, all make use of formal and informal citizen, expert and stakeholder committees and task forces. The commissioners of these four cabinet level agencies are appointed by the governor.

Minnesota Planning provides coordination through the Environmental Quality Board and the Land Management Information Center. The center manages a statewide geographic information system and various databases and, in addition, develops standards for data compatibility. Coordination and water policy integration among state agencies as well as with local, regional and federal bodies is assigned to the EQB. The board is composed of the heads of the departments of Natural Resources, Agriculture, Health, Public Service and Transportation, the Office of Environmental Assistance, Minnesota Planning, the Pollution Control Agency and the Board of Water and Soil Resources, as well as five citizen members and a chair appointed by the governor. Water duties are assigned to its Water Resources Committee. Many interagency water reports and activities require EQB review or involvement.

The Board of Water and Soil Resources plays a lead role in working with counties, soil and water conservation districts, watershed districts, watershed management organizations and other local governments. It provides financial, technical and administrative assistance through such programs as Reinvest in Minnesota Reserve, Cost-Share and Local Water Management and coordinates activities among local, state and federal governments. Much of the funding for local government relating to water planning and management issues is distributed by the board. It is composed of governor-appointed representatives from soil and water conservation districts, watershed districts, watershed management organizations, counties and the general public, and includes nonvoting representatives from the departments of Natural Resources, Agriculture and Health, the Pollution Control Agency and the Minnesota Extension Service. Its executive director is appointed by the board.

Other Agencies are Involved in More Limited Activities and Areas. The Department of Trade and Economic Development manages the state's revolving loan fund and offers an array of financial assistance for water, wastewater and other environmental needs. The University of Minnesota's Minnesota Geological Survey conducts geological research, prepares maps and interprets Minnesota's geology. It works with the Department of Natural Resources to develop county geologic atlases and regional geologic and sensitivity analysis. The university's Minnesota Extension Service provides educational programs and materials to individuals and local

governments. The Office of Environmental Assistance provides technical and financial assistance for pollution prevention and managing solid and hazardous waste. In the Twin Cities area, the Metropolitan Council plans for water management and operates a regional wastewater treatment system.

Local Government Structures Tackle Water Issues

Local units of government complete the picture of Minnesota's water resource management system. Their responsibilities include implementing projects to solve problems and provide services, developing plans to deal with issues and prevent problems, and helping citizens understand the importance of their actions. All general purpose local units of government — counties, cities and towns — are involved in issues that directly or indirectly affect water resources. Zoning, land use decisions, local ordinances and permit actions all can affect water resources. In addition, there are cities and sewer and water authorities that operate water and wastewater facilities.

Counties outside the Twin Cities area have a special role through their authority to develop and implement county comprehensive water plans. These plans emphasize watershed management and bring together and coordinate many previously disparate resource management efforts at the local and state level. Every county outside the Twin Cities area has an approved plan. Within the Twin Cities area, counties are authorized to prepare county ground water plans.

Five types of special purpose districts have significant roles in water resource management — soil and water conservation districts, watershed districts, lake improvement districts, watershed management organizations and lake conservation districts. The first three are initiated by citizen or local government petition. Watershed management organizations were mandated by the Legislature, while lake conservation districts are formed by it. Functions and degree of autonomy of these special purpose local governments vary widely.

Soil and Water Conservation Districts Blanket the State. Begun in the late 1930s primarily in response to serious soil erosion problems, the purpose of soil and water conservation districts has expanded to conservation projects dealing with land, surface water and ground water. Many districts are involved in comprehensive water planning and managing elements of the state's Reinvest in Minnesota Reserve Program and Wetland Conservation Act. Districts provide technical and financial assistance to landowners for conservation practices and work closely with local U.S. Department of Agriculture Natural Resources Conservation Service staff, Minnesota Extension Service agents, counties and state agencies. Many counties rely on districts for input on various natural resource issues, including feedlot permitting.

There are 91 soil and water conservation districts in the state. All are organized along county lines, except for those in Beltrami, Marshall, Otter Tail, Polk and St. Louis counties, which split counties. Districts are governed by an elected board of five supervisors and have no taxing authority. Most of their funding comes from counties and the state, but they also raise funds by charging for various services. The Board of Water and Soil Resource is the state administrative agency for soil and water conservation districts.

Watershed Districts Cover About One-Third of the State. Watershed districts, authorized by the Legislature in 1955, have broad authority to address a wide variety of water-related issues. Districts protect resources through planning, flood control and other projects. Most were formed to address specific issues. In the northwest, the primary concern of many watershed districts is flooding. Many districts in central Minnesota focus on water quality protection. Twin Cities area districts deal primarily with the effects of urban development on flooding and water quality.

Minnesota currently has 42 watershed districts. Watershed districts are primarily located in the northwest, central and southeast parts of the state. Districts follow watersheds rather than political boundaries and may include all or part of numerous counties, cities and townships. All watershed districts are in one or more soil and water conservation district.

Watershed districts are governed by a board of managers ranging in size from three to nine members. Board members are appointed by county boards with land in the watershed districts. Watershed districts also have citizen advisory committees appointed by the board of managers. Districts have taxing authority, eminent domain and other land use and regulatory authorities. The Board of Water and Soil Resource is the state administrative agency for watershed districts.

Minnesota has 10 Lake Improvement Districts. Lake improvement districts are generally established to preserve the natural character of a particular lake and its shore land environment and can be formed by county boards, with approval of the Department of Natural Resources, or by the DNR commissioner. Wright County has three districts, while Chisago, Kanabec, Polk, Ramsey, St. Louis, Scott and Stearns counties each have one. Districts boundaries overlap with soil and water conservation districts and with watershed districts or watershed management organizations in Polk, Ramsey, Scott and Stearns counties. Lake improvement districts can deal with a lake's entire watershed, but they generally include only shoreline properties.

County boards delegate powers to lake improvement districts. These include constructing and operating a lake control structure, acquiring equipment to improve navigation, constructing and maintaining water and sewer systems, maintaining public facilities and regulating water surface use. The actual duties vary greatly. Lake improvement districts have no taxing authority of their own. The county board specifies the type of funding arrangement when the district is established. Districts generally pass their budget recommendations through the county board for approval and funding.

Lake improvement districts are governed by a board ranging in size from five to nine members. The directors must be property owners in the district, and a majority of the directors must be residents of the district. The Department of Natural Resources is the state administrative agency for these districts.

Watershed Management Organizations are Charged with Water Planning in the Twin Cities Area. The Metropolitan Water Management Act of 1982 mandated watershed management organizations and development of watershed management plans for the minor watershed units wholly located in the seven-county metropolitan area. These organizations must protect and preserve natural water storage systems, identify means to prevent soil erosion and protect and improve water quality and establish consistency across governmental units for water management.

There are 46 watershed management organizations in the Twin Cities area. Thirty-five are joint-powers organizations run by a board appointed by the governing bodies of the member cities and towns. The other 11 are watershed districts, which can take on responsibilities for their respective watersheds. Watershed management organizations have limited land use powers and taxing authority, although many joint-power organizations have chosen not to use this authority. Soil and water conservation district and watershed management organization boundaries overlap.

Minnesota has Two Legislatively Created Lake Conservation Districts. The Lake Minnetonka Conservation District, established in 1967, and the White Bear Lake Conservation District, established in 1971, have a variety of regulatory powers over their respective lakes. These include the power to regulate the types of boats and motors that can be used, regulate public facilities, limit the times and places of use, regulate boat speeds and conduct research. Both districts are contained entirely within watershed districts.

Lake conservation districts are composed of the municipalities that have property on the lake. Their boards are elected by the governing bodies of the member municipalities. These municipalities also fund districts, which do not have taxing authority. The lake conservation district's budget is proposed by its board and either modified or approved by the governing bodies of the municipalities. The governing bodies of each of the municipalities pay a share of the total budget, within defined statutory limits.

Inventory of Improvements

The state's agencies and local governments have taken numerous actions to improve water resource management over the past six years that relate directly to the outcomes outlined by the Legislature. This inventory highlights many of these actions within the four outcome areas. It is not intended to be exhaustive.

Streamline and Integrate State's Water Resource Management and Protection Efforts

Overall

- Governor established the Environmental Cluster, composed of heads of environmental agencies, to coordinate program and policy issues; includes departments of Agriculture, Health and Natural Resources, Pollution Control Agency, Board of Water and Soil Resources, Office of Environmental Assistance, Environmental Quality Board and Minnesota Planning.
- Environmental Quality Board established the Water Resources Committee to coordinate interagency water resource issues; includes departments of Agriculture, Health and Natural Resources, Pollution Control Agency, Board of Water and Soil Resources, Office of Environmental Assistance and Metropolitan Council.
- Red River Water Resources Council brings together federal agencies and Minnesota, North Dakota and Manitoba state and local governments and citizens.
- Minnesota River Joint Powers Board brings local governments together for protection and rehabilitation of Minnesota River.
- U.S. Geological Survey unites state, local and federal agencies for National Water Quality Assessments of Red River of the North and the Upper Mississippi River basins.
- Departments of Agriculture and Natural Resources locate field staff in same offices on a pilot basis.

Program Coordination

- Comprehensive State Ground Water Protection Program, Framework and State Assessment, a multiagency effort led by the Pollution Control Agency and coordinated through the Environmental Quality Board, identified existing authorities and programs, gaps and opportunities for improvement.
- Nonpoint Source Management Program, led by the Pollution Control Agency with federal, state, local and citizen input, laid out issues and strategies for the state.
- Minnesota Pesticide Management Plan, a multiagency effort led by the Department of Agriculture, outlined strategies to prevent, assess and respond to problems.
- Feedlot and Manure Management Advisory Committee involves all agencies and coordinated feedlot management legislative initiative defined roles and responsibilities.
- Well Head Protection Program, led by the Department of Health, pulls together the departments of Health and Agriculture and the Pollution Control Agency to protect public water supplies, work with local governments and share data, technical assistance and guidance documents.
- Effective and consistent implementation of the Minnesota Environmental Response and Liability Act facilitated by Department of Agriculture and Pollution Control Agency agreement.
- Water and Wastewater Operator's Certification Council and rule-making coordinated by Department of Health and Pollution Control Agency.
- Wetland Interagency Coordination Team coordinates activities of local, state and federal agencies and implements procedures to streamline permitting and strategies. Agencies streamlined delivery of services through joint application forms, wetland delineations and other means.
- Interagency Water Quality Standards Advisory Committee advises the Pollution Control Agency.
- Interagency Ground Water Coordination Group and Ground and Surface Water Monitoring Program pull together state, federal and various regional and local jurisdictions.
- Monitoring and Assessment Strategy, led by the Pollution Control Agency, strives to coordinate activities.
- *PCA Ground Water Sampling Guidance: Development of Sampling Plans, Protocols, and Reports* ensures accurate, reliable sampling results from state and local governments.
- Red River of the North Total Maximum Daily Load Interagency Workgroup, led by the Pollution Control Agency, develops permit limits to protect river in low-flow conditions.
- St. Louis River Action Plan pulls together Pollution Control Agency, Department of Natural Resources, U.S. Environmental Protection Agency and others for monitoring and remediation.
- Great Lakes Initiative Advisory Committee develops water quality criteria for the basin and involves agencies throughout the basin.
- Metro Interagency Team coordinated plan reviews for Local Water Planning.
- Department of Natural Resources provides the Board of Water and Soil Resources with hydrologic modeling assistance in preparing watershed management organization plans.
- County Geologic Atlas Program encourages cooperation among Minnesota Geological Survey, Department of Natural Resources and counties.
- Consolidated system for collecting fees and taxes from businesses that handle or generate hazardous materials and waste under development by Pollution Control Agency and Department of Revenue.
- Individual Sewage Treatment System roles and responsibilities being defined by Department of Health and Pollution Control Agency.
- Interagency team finalizing a lakes management guide.
- Department of Health consolidated programs with small numbers of staff to share support services and reduce management.
- Infectious waste program eliminated by the Department of Health in response to changes in federal rules and program need.

Compliance and Enforcement

- Criminal Case Screening Committee for review of potential cases involves Pollution Control Agency, departments of Agriculture, Natural Resources and Transportation, and Attorney General.
- Departments of Health and Natural Resources cooperate in developing law and regulating public water suppliers' water conservation plans.
- Responses to private and municipal well contamination coordinated between Pollution Control Agency and Department of Health.
- Waste pesticide collection conducted cooperatively by departments of Agriculture and Transportation, Minnesota Extension Service, Pollution Control Agency and local governments.
- Hazardous waste enforcement, inspection, remediation and incident response coordinated among Pollution Control Agency and departments of Agriculture and Health, including incidents of potential contamination of groundwater caused by release of hazardous substances from improper handling.
- Field citations for illegal disposal of waste jointly issued by Pollution Control Agency and Department of Natural Resources.
- Inspection of wastewater treatment facilities serving mobile home parks, resorts and campgrounds coordinated between Pollution Control Agency and Department of Health.
- Feedlot-related environmental violations jointly investigated and enforced by Pollution Control Agency and Department of Natural Resources through agreement.
- Construction sites inspected for compliance with Storm Water Permit Program for Construction Activity by soil and water conservation districts under agreement with the Pollution Control Agency.

Financial Assistance

- Board of Water and Soil Resources' Block Grant consolidated some grants from the board, the Pollution Control Agency and the Department of Natural Resources to local governments and grants administration.
- State Revolving Fund expanded to provide loans for nonpoint source pollution abatement projects through Pollution Control Agency, Board of Water and Soil Resources and Department of Agriculture with administration of fund provided by the Department of Trade and Economic Development.
- Clean Water Partnership and federal Clean Water Act grant applications reviewed by interagency team.

Partnerships with Local Governments, Citizens and Industry

- Hydrologic modeling and other services provided through partnerships between Department of Natural Resources and local water management organizations.
- Ground water monitoring cooperatives established among state agencies and local governments, including efforts in Wadena and Stearns counties and nine counties in southeast Minnesota.
- Agencies use soil and water conservation districts as clearinghouses for wetlands information.
- State Community Health Services Advisory Council advises commissioner of the Department of Health.
- Citizen volunteers provide lake gaging and precipitation monitoring information to the Department of Natural Resources.
- Citizen Lake Monitoring Program volunteers help the Pollution Control Agency collect information on lakes.
- Responsible parties expedite the cleanup of environmental contamination through the Pollution Control Agency's voluntary investigation and cleanup program.
- Great Lakes Sport Fish Advisory Council advises the Department of Health and others.

Tailor Water Resource Management and Protection Efforts to Customer's Needs

Brochures and Guides

- *Minnesota Surface Water Guide* and *Ground Water — A Directory of Minnesota's Programs and Resources,* prepared by the Pollution Control Agency with input from other agencies.
- Fact sheets on agency issues, programs, pollution prevention activities and regulations and environmental profiles of legislative districts prepared by the Pollution Control Agency.
- Brochures, fact sheets, newsletters for regulated parties and annual report card on the quality of drinking water supplies prepared by the Department of Health and interpretive manuals to accompany regulations are being developed.
- Department of Agriculture produces *Update* and reports on water quality.
- Agencies jointly developed a brochure on wetland regulations.

Outreach

- Department of Agriculture conducts clinics, which the department and other agencies use to distribute information.
- Department of Health provides materials at health fairs and county fairs and holds annual training and technical assistance schools and conferences on water policy.
- World Wide Web sites on the Internet are being created by all agencies.
- An electronic bulletin board service gives the public online access to Pollution Control Agency fact sheets, program guidance and lake resources.
- Pollution Control Agency strengthened regional operations and service delivery systems through its Regional Operations Division, formation of regional compliance units and placement of personnel covering public information, leaking underground storage tank cleanup, tank compliance and other efforts in regional offices.

Information Management

- Ground water information is managed and transferred to users through the Pollution Control Agency's Integrated Ground Water Information System, the Land Management Information Center's State Well Index, the Minnesota Geological Survey's County Well Index, and the Obwell Program.
- The Pollution Control Agency is developing DELTA, a comprehensive database for permitting actions. The agency's Master Entity System database provides location information on current and potential contaminant sources.
- County Geological Atlas preparation continues to improve the understanding of state water supplies.
- Department of Natural Resources prepared 1:1,000,000 watershed maps.
- Pollution Control Agency Water Quality Division and others developed geographical information systems.

Simplify Permitting and Other Decision-Making Processes

Delegate and Decentralize

- Bridge and culvert general permit authority offered to local governments by the Department of Natural Resources.
- Permitting and other decisions delegated to Department of Natural Resources' field staff.
- Most decisions delegated to Board of Water and Soil Resources' field officers.
- Feedlot program delegation offered to counties by the Pollution Control Agency.

Consolidate

- Statewide licensing of on-site treatment system professionals, including designers, installers, pumpers and inspectors, by the Pollution Control Agency streamlines process for contractors needing multicounty licensing.
- Interagency wetlands coordination committee developed joint permit application that is accepted and used by permitting agencies.
- Project XL, spearheaded by the Pollution Control Agency, consolidates permits and gives flexibility to permittees.
- Pesticide licensing functions consolidated in the Department of Agriculture's Agronomy and Plant Protective Service Division.

Simplify

- Metro Water Planning 509 Coordination Committee, with representatives from state agencies and the Metropolitan Council, jointly reviews local actions with respect to state standards.
- Legislation requires agencies and local governments to take action on permits within 60 days.
- General permits issues by the Pollution Control Agency for storm water and other activities allow applicants to start work 48 hours after filing.
- Operating procedures and check list define Department of Health needs in feedlot permitting for Pollution Control Agency permit applicants.
- The Permit Quality Action Team, a joint effort of the Pollution Control Agency and the U.S. Environmental Protection Agency, reviews and evaluates procedures.
- Pollution Control Agency policy guidance on impoundments helps applicants understand agency expectations and streamlines process.

Orient Efforts to Account for Overall Environment, Natural Resource and Human Needs

Sustainable Development

- Sustainable Development Initiative launched by the Environmental Quality Board.
- Interagency state plan for sustainable agriculture and integrated pest management implemented by the Department of Agriculture.

Resource-Based Efforts

- Agro-eco regions based on natural resource variables defined by the University of Minnesota, the Department of Agriculture and an advisory team.
- Fish community biocriteria used by the Pollution Control Agency and the Department of Natural Resources in Red River Valley ecoregion for national water quality assessment.
- Pollution Control Agency uses basin management as main policy for phosphorous control.
- Statistically based/random-site water quality monitoring program is underway in St. Croix basin, jointly by Pollution Control Agency, U.S. Environmental Protection Agency, and Department of Natural Resources.
- Metropolitan Ground Water Model is helping the Pollution Control Agency to produce a computer-based model for better coordination of basin-wide protection efforts.
- Pollution Control Agency implementing statistically based ground water monitoring statewide and ground water trends monitoring in developing areas.
- Acceptable risk and land use standards are becoming basis for Pollution Control Agency cleanup levels.
- Use of ground water for once-through-cooling phased out and prohibited for lake augmentation by the Department of Natural Resources.

Polluter Pays

- Pesticide and fertilizer regulatory, service and educational programs of the Department of Agriculture supported by fees and surcharges.
- Waste pesticide and pesticide container recycling programs of the Department of Agriculture funded by fees through registration and licensing of pesticide products and pesticide users.
- Agricultural Chemical Response and Reimbursement Account funded by surcharges on pesticides and fertilizers.
- Cleanup costs of superfund sites involving agricultural chemicals recovered from responsible parties.
- Cleanup of contaminated landfills funded through user fees.
- Storm water permit program funded completely by permit fee revenues.
- Users of ground water for once-through-cooling pay high Department of Natural Resources' fees.
- Violators pay double the permit fee to the Department of Natural Resources and violations require restoration.

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4. With what type of organization are you affiliated?
   ☐ legislature ☐ academic ☐ media ☐ local government
   ☐ state agency ☐ library ☐ nonprofit ☐ federal government
   ☐ business ☐ other: _____
5. Additional comments are appreciated:

Thank you for your help.

MN PLANNING