



Minnesota Board of Water and Soil Resources.
Minutes.

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DATE: May 15, 2000
TO: Board of Water and Soil Resources Members, Advisors, and Staff
FROM: Ronald D. Harnack, Executive Director
SUBJECT: May 24, 2000 BWSR Meeting

The Board of Water and Soil Resources (BWSR) will meet on Wednesday, May 24, 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 information pertains to the agenda items:

Consent Agenda:

1. Big Stone County Water Plan Extension Request: See attached information. **DECISION**
2. Chippewa County Water Plan Extension Request: See attached information. **DECISION**
3. Lac Qui Parle County Water Plan Extension Request: See attached information. **DECISION**
4. Swift County Water Plan Extension Request: See attached information. **DECISION**

Committee Recommendations

Wetland Subcommittee

1. Beltrami County Comprehensive Wetland Protection and Management Plan: See attached information. **DECISION**
2. Koochiching County Comprehensive Wetland Protection and Management Plan: See attached information. **DECISION**

Metro Water Planning Subcommittee

3. Rice Creek Watershed District (RCWD) Watershed Management Plan Amendment: The RCWD amendment focuses on a table updating the capital improvement program that lists anticipated or ongoing activities, their relative priority, and estimated cost. The purpose of the proposed amendment is to update and extend the implementation section of the Plan through the year 2005. Other sections of the plan remain unchanged. All

projects and activities will be funded by a district-wide ad valorem levy. The anticipated annual tax levy for implementation of the District projects will be \$1,500,000.00 See attached information. The Metro Water Planning Subcommittee met on May 11, 2000 and recommend approval of the plan amendment per the attached draft order. DECISION

4. Comfort Lake-Forest Lake Watershed District Establishment. The district was established on September 23, 1999 and the order did not correctly specify the inclusion of the Higgins Lake area in Columbus Township, Anoka County. A public hearing was held on April 26, 2000 at the Forest Lake City Hall. Higgins Lake is a basin with an undetermined outlet and has no compelling water resource problems. The majority of Higgins Lake is in Anoka County and, along with the rest of the area in Columbus Township in the vicinity of Higgins Lake, is presently managed by the Sunrise River Watershed Management Organization. Most of the remainder of Higgins Lake is in Chisago County which is presently managed by the Chisago County water plan. The Metro Water Planning Subcommittee met on May 11, 2000 and recommends the area of Higgins Lake be excluded from the Comfort Lake-Forest Lake Watershed District per the attached draft order. DECISION

Old Business

1. Legislative Update: INFORMATION
2. CREP Agreement: The USDA recently announced changes to the continuous enrollment provisions of the CRP program. To maintain consistency between the CRP program and CREP (of which CRP is a part), it is necessary to amend the CREP agreement. The Farm Services Agency State Committee has approved the changes. The BWSR should also do so before USDA officials in Washington D.C. and Governor Ventura sign the agreement. A draft agreement and other background information is attached. DECISION

New Business

1. Minnehaha Creek Watershed District Boundary Change: Minnehaha Creek Watershed District Boundary Change. The Minnehaha Creek Watershed District submitted a boundary change petition dated February 9, 2000 for lands in the vicinity of the Minneapolis-St. Paul International Airport. Subsequent to the Minnehaha Creek Watershed District filing, the Lower Minnesota River Watershed District filed a petition for lands in the vicinity of the Minneapolis-St. Paul International Airport, including some of the same lands as Minnehaha Creek petitioned for. The area of overlay is termed the "contested" area. A hearing was held on both petitions on April 27, 2000 at the Veterans Affairs Medical Center. The record was left open for two weeks after the hearing. There were many issues surrounding these two boundary change petitions that involved the international airport, the many different federal lands, state lands, the Minneapolis Park Board and especially Camp Coldwater and Coldwater Spring. A major issue was the MnDOT project for the Highways 55 and 62 interchange. Many comments were received and the record is fairly voluminous in this matter. The Metro Water Planning Subcommittee met on May 11, 2000 and recommends approval of the boundary change per the attached draft order. The recommendation does not approve Minnehaha Creek Watershed District's requested boundary change in the "contested" area. The boundary determination is based primarily on the existing surface water drainage of the Petitioned Area, but with consideration given to commonality of land use, ground water flow, parcel configuration, desires of land occupiers, and future storm water drainage projects. Please

contact Jim Haertel (651-297-2906) to view the hearing record including any of the exhibits or other information. DECISION

2. Lower Minnesota River Watershed District Boundary Change: The Lower Minnesota River Watershed District submitted a boundary change petition dated April 24, 2000 for lands in the vicinity of the Minneapolis-St. Paul International Airport. Prior to the Lower Minnesota River Watershed District filing, the Minnehaha Creek Watershed District filed a petition for lands in the vicinity of the Minneapolis-St. Paul International Airport, including some of the same lands as the Lower Minnesota River petitioned for. The area of overlay is termed the "contested" area. A hearing was held on both petitions on April 27, 2000 at the Veterans Affairs Medical Center. The record was left open for two weeks after the hearing. There were many issues surrounding these two boundary change petitions that involved the international airport, the many different federal lands, state lands, the Minneapolis Park Board and especially Camp Coldwater and Coldwater Spring. A major issue was the MNDOT project for the Highways 55 and 62 interchange. Many comments were received and the record is fairly voluminous in this matter. The Metro Water Planning Subcommittee met on May 11, 2000 and recommends approval of the boundary change per the attached draft order. The recommendation is for the entire Lower Minnesota River Watershed District's requested boundary change, including the "contested" area. The boundary determination is based primarily on the existing surface water drainage of the Petitioned Area, but with consideration given to commonality of land use, ground water flow, parcel configuration, desires of land occupiers, and future storm water drainage projects. Please contact Jim Haertel (651-297-2906) to view the hearing record including any of the exhibits or other information. DECISION
3. Office of State Soils Specialist: As reported earlier, a cooperative venture is being planned with the U of M Department of Soil, Water and Climate to create an Office of State Soil Specialist. Modeled after the Office of State Climatologist – a cooperative effort of the DNR, Division of Waters and U of M Department of Soil, Water and Climate – the Office of State Soil Specialist will build upon soils related efforts including soil survey updates and hydric soils training. Greg Larson, State Soil Specialist (to be), is anticipated to begin to share time between the St. Paul Campus and the BWSR office sometime after July 1. A list of work items is provided. A memorandum between the U of M, Department of Soils, Water and Climate and the BWSR is being discussed. INFORMATION
4. Watershed District Planning Grants: Staff are requesting the use of Local Water Resource Protection and Management Program monies to provide planning grants to watershed districts that will be revising their comprehensive plans. See attached information. DECISION
5. Video from the USDA National Summit on Private Land Conservation: INFORMATION
6. State Envirothon Update: INFORMATION

If you need additional information, please feel free to give me a call. Travel safely, I look forward to seeing you on the 24th!

**BOARD OF WATER AND SOIL RESOURCES
ONE WEST WATER STREET, CONFERENCE ROOM
ST. PAUL, MINNESOTA 55107
MAY 24, 2000**

PRELIMINARY AGENDA

9:00 a.m.

Call Meeting to Order

Adopt Agenda

Minutes of April 26, 2000

Reports

- ☐ Chair – Kathleen Roer
- ☐ Executive Director – Ron Harnack
- ☐ Dispute Resolution Committee – Jim Haertel
- ☐ Wetlands Committee – Darrell Bruggman
- ☐ Cost-Share/Soil Conservation Committee – Paul Krabbenhoft
- ☐ Financial Oversight Committee – Ginny Imholte
- ☐ Administrative Advisory Committee – Kathleen Roer

Agency Reports

- ☐ Department of Agriculture
- ☐ Department of Health
- ☐ Department of Natural Resources
- ☐ Minnesota Extension Service
- ☐ Pollution Control Agency

Consent Agenda

1. Big Stone County Water Plan Extension Request – Doug Thomas –
DECISION
2. Chippewa County Water Plan Extension Request – Doug Thomas
– DECISION
3. Lac Qui Parle County Water Plan Extension Request – Doug
Thomas – DECISION
4. Swift County Water Plan Extension Request – Doug Thomas
DECISION

Committee Recommendations

Wetland Subcommittee

1. Beltrami County Comprehensive Wetland Protection and Management Plan – Dan Eklund – DECISION
2. Koochiching County Comprehensive Wetland Protection and Management Plan – Dan Eklund – DECISION

Metro Water Planning Subcommittee

3. Rice Creek Watershed District Watershed Management Plan Amendment – Phil Belfiori – DECISION
4. Comfort Lake-Forest Lake Watershed District Establishment – Jim Haertel - DECISION

Old Business

1. Legislative Update – Ron Harnack - INFORMATION
2. CREP Agreement – Greg Larson - DECISION

New Business

1. Minnehaha Creek Watershed District Boundary Change – Jim Haertel – DECISION
2. Lower Minnesota River Watershed District Boundary Change – Jim Haertel – DECISION
3. Office of State Soils Specialist – Jim Birkholz and Greg Larson – INFORMATION
4. Watershed District Planning Grants – Doug Thomas – DECISION
5. Video from the USDA National Summit on Private Land Conservation – Ron Harnack – INFORMATION
6. State Envirothon Update – Susan Tsakakis - INFORMATION

Advisory Comments

- ❑ Minnesota Association of Townships (MAT)
- ❑ Minnesota Association of Conservation District Employees (MACDE)
- ❑ Minnesota Association of Soil and Water Conservation Districts (MASWCD)
- ❑ Minnesota Association of Watershed Districts (MAWD)
- ❑ Natural Resources Conservation Service (NRCS)

Upcoming Meetings

- ❑ Local Water Planners Conference, June 19-21, Bemidji
- ❑ MAWD Annual Tour, June 22-24, Pelican River Watershed District, Detroit Lakes
- ❑ BWSR Tour and Meeting, June 28-29, Montevideo
- ❑ BWSR Meeting, July 26, St. Paul
- ❑ BWSR Retreat, August 23, Riverwood Conference Center, Monticello

Adjourn

CONSENT AGENDA

1. Big Stone County Water Plan
Extension Request
DECISION

BIG STONE COUNTY COMPREHENSIVE LOCAL WATER PLAN (FOR BOARD ACTION)

Big Stone County has a Comprehensive Local Water Plan (CLWP) which was approved by the Minnesota Board of Water and Soil Resources on April 25, 1996. Big Stone County then locally adopted their CLWP via a county resolution dated October 7, 1997. The effective date (end date) of this CLWP is April 25, 2001.

The 1995 amendments to the Comprehensive Local Water Management Act, M.S. 103B.301, gives the Board of Water and Soil Resources authority to grant extensions to counties for the purpose of extending the ending date of their water plans. These extensions must be requested in writing and cannot be for more than two years.

At their December 15, 1999, board meeting, the BWSR approved a local water planning document which addressed BWSR expectations, internal actions and multi-planning strategies. Multi-planning strategies addresses granting CLWP extensions to counties where other planning efforts (water or watershed level) are currently underway. These other efforts require the input of the water planner and associated technical advisors in the county. Completion of other water planning efforts would benefit the CLWP update.

Big Stone County is an active player in several watershed level planning efforts currently underway: the Upper Minnesota River Community Based Regional Plan and Community-Based County Plan. The county is also currently updating their Solid Waste Management Plan. All these efforts require county staff time and work effort.

Board Conservationist David Sill recommends approval of Big Stone County's two year extension request.

DRAFT

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

DRAFT

In the Matter of Extending the Comprehensive Local Water Plan
for Big Stone County (1995 Minnesota Session Law, Chapter 184,
Section 24 authorizing BWSR to grant extensions).

Whereas, Big Stone County had a state approved Comprehensive Local Water Plan that is effective until April 25, 2001 pursuant to Minnesota Statute 1990, Section 103B.301, and

Whereas, the Big Stone County Board of Commissioners requested an extension of the Comprehensive Local Water Plan to the Board of Water and Soil Resources on April 18, 2000, pursuant to Minnesota Session law 1995, Chapter 184, Section 24, and

Whereas, the Board of Water and Soil Resources has authorization to grant extensions pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

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

FINDINGS OF FACT

1. On May 5, 2000, the Board of Water and Soil Resources received a resolution from Big Stone County requesting an extension of their Comprehensive Local Water Plan.
2. On May 6, 2000, the Board of Water and Soil Resources staff reviewed and recommended approval of the extension request by Big Stone County.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board of Water and Soil Resources has proper jurisdiction in the matter of extending the Comprehensive Local Water Plan of Big Stone County pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

ORDER

The Board of Water and Soil Resources hereby approves the extension of the Big Stone County Comprehensive Local Water Plan until April 25, 2003. Dated at St. Paul, Minnesota, this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Kathleen Roer, Chairperson

CONSENT AGENDA

2. Chippewa County Water Plan
Extension Request
DECISION

CHIPPEWA COUNTY COMPREHENSIVE LOCAL WATER PLAN (FOR BOARD ACTION)

Chippewa County has a Comprehensive Local Water Plan (CLWP) which was approved by the Minnesota Board of Water and Soil Resources on April 25, 1996. Chippewa County then locally adopted their CLWP via a county resolution dated June 4, 1996. The effective date (end date) of this CLWP is April 25, 2001.

The 1995 amendments to the Comprehensive Local Water Management Act, M.S. 103B.301, gives the Board of Water and Soil Resources authority to grant extensions to counties for the purpose of extending the ending date of their water plans. These extensions must be requested in writing and cannot be for more than two years.

At their December 15, 1999, board meeting, the BWSR approved a local water planning document which addressed BWSR expectations, internal actions and multi-planning strategies. Multi-planning strategies addresses granting CLWP extensions to counties where other planning efforts (water or watershed level) are currently underway. These other efforts require the input of the water planner and associated technical advisors in the county. Completion of other water planning efforts would benefit the CLWP update.

Chippewa County is an active player in several watershed level planning efforts currently underway: the Chippewa River Watershed Clean Water Partnership Project assessment, the Hawk Creek Watershed Clean Water Partnership Project assessment, and the Upper Minnesota River Community-Based Regional Plan and Community-Based County Plan. All these efforts require county staff time and work effort.

Board Conservationist David Sill recommends approval of Chippewa County's two year extension request.

DRAFT

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

DRAFT

In the Matter of Extending the Comprehensive Local Water Plan
for Chippewa County (1995 Minnesota Session Law, Chapter 184,
Section 24 authorizing BWSR to grant extensions).

Whereas, Chippewa County had a state approved Comprehensive Local Water Plan that is effective until April 25, 2001 pursuant to Minnesota Statute 1990, Section 103B.301, and

Whereas, the Chippewa County Board of Commissioners requested an extension of the Comprehensive Local Water Plan to the Board of Water and Soil Resources on April 18, 2000, pursuant to Minnesota Session law 1995, Chapter 184, Section 24, and

Whereas, the Board of Water and Soil Resources has authorization to grant extensions pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

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

FINDINGS OF FACT

1. On April 25, 2000, the Board of Water and Soil Resources received a resolution from Chippewa County requesting an extension of their Comprehensive Local Water Plan.
2. On May 2, 2000, the Board of Water and Soil Resources staff reviewed and recommended approval of the extension request by Chippewa County.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board of Water and Soil Resources has proper jurisdiction in the matter of extending the Comprehensive Local Water Plan of Chippewa County pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

ORDER

The Board of Water and Soil Resources hereby approves the extension of the Chippewa County Comprehensive Local Water Plan until April 25, 2003. Dated at St. Paul, Minnesota, this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Kathleen Roer, Chairperson

CONSENT AGENDA

3. Lac Qui Parle County Water Plan
Extension Request
DECISION

LAC QUI PARLE COUNTY COMPREHENSIVE LOCAL WATER PLAN (FOR BOARD ACTION)

Lac qui Parle County has a Comprehensive Local Water Plan (CLWP) which was approved by the Minnesota Board of Water and Soil Resources on April 25, 1996. Lac qui Parle County then locally adopted their CLWP via a county resolution dated June 4, 1996. The effective date (end date) of this CLWP is April 25, 2001.

The 1995 amendments to the Comprehensive Local Water Management Act, M.S. 103B.301, gives the Board of Water and Soil Resources authority to grant extensions to counties for the purpose of extending the ending date of their water plans. These extensions must be requested in writing and cannot be for more than two years.

At their December 15, 1999, board meeting, the BWSR approved a local water planning document which addressed BWSR expectations, internal actions and multi-planning strategies. Multi-planning strategies addresses granting CLWP extensions to counties where other planning efforts (water or watershed level) are currently underway. These other efforts require the input of the water planner and associated technical advisors in the county. Completion of other water planning efforts would benefit the CLWP update.

Lac qui Parle County is an active player in several watershed level planning efforts currently underway: the Upper Minnesota River Community-Based Regional Plan and Community-Based County Plan and the Lac qui Parle River Watershed Basin team. All these efforts require county staff time and work effort.

Board Conservationist David Sill recommends approval of Lac qui Parle County's two year extension request.

DRAFT

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

DRAFT

In the Matter of Extending the Comprehensive Local Water Plan
for Lac qui Parle County (1995 Minnesota Session Law, Chapter 184,
Section 24 authorizing BWSR to grant extensions).

Whereas, Lac qui Parle County had a state approved Comprehensive Local Water Plan that is effective until April 25, 2001 pursuant to Minnesota Statute 1990, Section 103B.301, and

Whereas, the Lac qui Parle County Board of Commissioners requested an extension of the Comprehensive Local Water Plan to the Board of Water and Soil Resources on May 2, 2000, pursuant to Minnesota Session law 1995, Chapter 184, Section 24, and

Whereas, the Board of Water and Soil Resources has authorization to grant extensions pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

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

FINDINGS OF FACT

1. On May 4, 2000, the Board of Water and Soil Resources received a resolution from Lac qui Parle County requesting an extension of their Comprehensive Local Water Plan.
2. On May 5, 2000, the Board of Water and Soil Resources staff reviewed and recommended approval of the extension request by Lac qui Parle County.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board of Water and Soil Resources has proper jurisdiction in the matter of extending the Comprehensive Local Water Plan of Lac qui Parle County pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

ORDER

The Board of Water and Soil Resources hereby approves the extension of the Lac qui Parle County Comprehensive Local Water Plan until April 25, 2003. Dated at St. Paul, Minnesota, this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Kathleen Roer, Chairperson

CONSENT AGENDA

4. Swift County Water Plan Extension
Request
DECISION

SWIFT COUNTY COMPREHENSIVE LOCAL WATER PLAN (FOR BOARD ACTION)

Swift County has a Comprehensive Local Water Plan (CLWP) which was approved by the Minnesota Board of Water and Soil Resources on April 25, 1996. Swift County then locally adopted their CLWP via a county resolution dated August 20, 1996. The effective date (end date) of this CLWP is April 25, 2001.

The 1995 amendments to the Comprehensive Local Water Management Act, M.S. 103B.301, gives the Board of Water and Soil Resources authority to grant extensions to counties for the purpose of extending the ending date of their water plans. These extensions must be requested in writing and cannot be for more than two years.

At their December 15, 1999, board meeting, the BWSR approved a local water planning document which addressed BWSR expectations, internal actions and multi-planning strategies. Multi-planning strategies addresses granting CLWP extensions to counties where other planning efforts (water or watershed level) are currently underway. These other efforts require the input of the water planner and associated technical advisors in the county. Completion of other water planning efforts would benefit the CLWP update.

Swift County is an active player in several watershed level planning efforts currently underway: the Chippewa River Watershed Clean Water Partnership Project assessment, and the Pomme de Terre River Watershed initiative. All these efforts require county staff time and work effort.

Board Conservationist David Sill recommends approval of Swift County's two year extension request.

DRAFT

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

DRAFT

In the Matter of Extending the Comprehensive Local Water Plan
for Swift County (1995 Minnesota Session Law, Chapter 184,
Section 24 authorizing BWSR to grant extensions).

Whereas, Swift County had a state approved Comprehensive Local Water Plan that is effective until April 25, 2001 pursuant to Minnesota Statute 1990, Section 103B.301, and

Whereas, the Swift County Board of Commissioners requested an extension of the Comprehensive Local Water Plan to the Board of Water and Soil Resources on April 4, 2000, pursuant to Minnesota Session law 1995, Chapter 184, Section 24, and

Whereas, the Board of Water and Soil Resources has authorization to grant extensions pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

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

FINDINGS OF FACT

1. On April 10, 2000, the Board of Water and Soil Resources received a resolution from Swift County requesting an extension of their Comprehensive Local Water Plan.
2. On May 2, 2000, the Board of Water and Soil Resources staff reviewed and recommended approval of the extension request by Swift County.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board of Water and Soil Resources has proper jurisdiction in the matter of extending the Comprehensive Local Water Plan of Swift County pursuant to Minnesota Session Law 1995, Chapter 184, Section 24.

ORDER

The Board of Water and Soil Resources hereby approves the extension of the Swift County Comprehensive Local Water Plan until April 25, 2003. Dated at St. Paul, Minnesota, this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Kathleen Roer, Chairperson

COMMITTEE RECOMMENDATIONS

Wetland Subcommittee

1. Beltrami County Comprehensive
Wetland Protection and
Management Plan

DECISION

2. Koochiching County Comprehensive
Wetland Protection and
Management Plan

DECISION



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DATE: May 9, 2000

TO: BWSR Board Members

FROM: Daniel Eklund, BWSR Wetland Specialist

9-1-1 for D.E.

CC: John Jaschke, WCA Program Manager

SUBJECT: Beltrami and Koochiching County Wetland Plans

Beltrami County

The Beltrami County Comprehensive Wetland Protection and Management Plan is the result of a 2-year effort by the County and Soil and Water Conservation Districts to provide a wetland regulatory framework that better fits the county's diverse land uses. Through the effort of citizens, local, and state agencies, the county has devised a plan that exceeds the requirements under Minnesota Rule 8420.0650 governing local wetland plans. This plan uses a modified Minnesota Routine Assessment method (MNRAM) to evaluate the functions of county wetland resources. A panel of local and state resource persons whom have professional knowledge of the County's wetland resources conducted this evaluation. Combined with a values matrix developed through citizen and agency input, wetlands are categorized into one of four types (special protection, high, moderate, and low). Each of these categories contains standards that determine the flexibility or protection afforded to a particular wetland. Agency participation by the Minnesota DNR was critical in the analysis and categorization of wetland functions. Additionally, this agency provided valuable information used by the citizen advisory group to categorize public values by their relative importance. It is anticipated that the County Board will adopt this plan in the near future. I recommend that the Board "not disapprove" implementation of this plan with the understanding that the County Board will adopt it by ordinance.

Koochiching County

The Koochiching County plan was devised over a period of a 1.5 years. A multi disciplinary team of consisting of SWCD Board members, County Board Members, local, state, and federal resource staff coordinated the development of the plan. Like Beltrami's, this plan uses the MNRAM functional assessment process to determine wetland functions and associated values. Based on this assessment, wetlands were placed into three protection categories (high, moderate and low). Each category

contains standards that determine the flexibility or protection that a particular wetland will receive. Additionally, this plan provides for a development of a "Conservation fund" to allow for the funding of local public value resources projects when an impact will be replaced by out of the county banking. Input from the Minnesota DNR, PCA and the US Army Corps of Engineers played a significant role in the plan's development. A review of the plan indicates that it meets the standards in Minnesota Rule 8420.0650, which governs local wetland plans. The County Board has held public hearings on this plan and adoption into ordinance is anticipated. I recommend that the Board "not disapprove" of implementation of this plan with the understanding that it will be adopted by the County Board.

Board Resolution No. _____

WHEREAS, Beltrami County has taken this opportunity to submit their Comprehensive Wetland Protection and Management Plan ("Plan") to the Board of Water and Soils Resources for review and comment at the Board's May 2000 regular meeting; and

WHEREAS, Mr. Cliff Tweedale, Project Coordinator and Mr. Chris Parthun, Beltrami Soil and Water District Manager who administers WCA, gave the Board's Wetland Subcommittee an overview of the plan at their April 7, 2000 meeting; and

WHEREAS, Beltrami County was one of eight counties in Minnesota selected to receive funding through BWSR for development of a Plan; and

WHEREAS, Beltrami County initiated a Plan that uses the Minnesota Routine Wetland Assessment Method (MNRAM) to assess specific functions and related public values of various wetland types proposed for impacts within the County. This model accounts for fish and wildlife habitat, flood proneness, shoreline protection, floral diversity, and surface water quality. This Plan is a product of a technical committee comprised of regulatory agencies and resource specialists and a policy committee comprised of citizens, lake associations, agricultural producers, county commissioners, and township officials with specific knowledge of the county's land uses and natural resources. The Plan has been developed with the goal of providing a mechanism to guide future wetland decisions within the County; and

WHEREAS, Staff from the MDNR-Sections of Fisheries, Waters, Wildlife, and Enforcement actively participated in the planning process. Staff from MPCA was invited to participate but did not actively do so. Other agencies (US Army Corps of Engineers, NRCS, Red Lake Tribe) participated to various degrees providing comments, as they deemed necessary. Beltrami has incorporated all comments received deemed relevant to the improvement of the Plan; and

WHEREAS, the Plan becomes effective after adoption of the final plan into the official control which is the Beltrami County Wetland Ordinance.

NOW THEREFORE, The Board endorses the Plan contingent upon the following Conditions:

1. Modification of the Ordinance to designate clearly those articles that governed by Minnesota Wetland Conservation Act (WCA), those that are alternative standards adopted under MN Rule 8420.065, and those that are additional local controls; and
2. Modification of Article 2 Section 2.1 (B) to include a definition of "future agricultural land" as non-agricultural lands designated for conversion to agricultural uses by the owner and requires such owner to place a deed restriction to this effect on those lands for not less than 10 years from the date of designation; and,

3. The County Board moves forward and adopts this Plan within a legally enforceable ordinance.

Furthermore, the Board directs staff to assist Beltrami County in finalizing the Plan including, but not limited to: providing suggested language that fulfills the contingencies noted above, other specific suggestions on improvements to the ordinance, general suggestions on legal considerations related to the ordinance.

Signature _____
Kathleen Roer, Chair
MN Board of Water & Soil Resources

Date: _____

Board Resolution No. _____

WHEREAS, Koochiching County has taken this opportunity to submit their Comprehensive Wetland Protection and Management Plan ("Plan") to the Board of Water & Soil Resources (BWSR) for review and comment at the Board's May 2000 regular meeting; and

WHEREAS, a preliminary overview of the Plan was presented to the Board's Wetland Subcommittee at their April 7, 2000 meeting; and

WHEREAS, Koochiching County initiated a plan which utilizes the Minnesota Routine Wetland Assessment Method (MNRAM) to assess specific functions and values of various wetland types proposed for impacts within the County. This assessment accounts for floral diversity, shoreline protection, surface water quality, flood attenuation, fish and wildlife habitat, and aesthetics/recreation. This plan is a product of a technical committee comprised of Soil and Water Conservation District and County Board Members, regulatory agencies and resource specialists with specific knowledge about the county's natural resources. The Plan has been developed with the goal of providing a mechanism to guide future wetland decisions within the County; and

WHEREAS, Staff from the MDNR-Section of Wildlife in consultation with other appropriate agency staff, MDNR-Enforcement, and MPCA actively participated in the planning process. The US Army Corps of Engineers also participated providing comments, as they deemed necessary to clarify federal responsibilities under the Clean Water Act. Koochiching County incorporated all comments received deemed relevant to the improvement of the Plan; and

WHEREAS, the Plan becomes effective after adoption of the final plan into official control which is the Koochiching County Wetland Protection Ordinance.

NOW THEREFORE, The Board endorses the Plan contingent upon the following conditions:

1. Modification of the Conservation Fund section (E) of the Koochiching County Wetland Plan Replacement Matrix to show that use of this replacement method shall only be allowed for ½ of a project's impact regardless of the wetland category; and
2. Modification of the replacement ratios found in the "Other Replacement Options" section (G) of the Koochiching Wetland Plan Replacement Matrix to read as 4 units of replacement for 1 unit of High Category impact (4:1) and 2 units of replacement for 1 unit of Moderate category impact (2:1); and

3. The County Board adopts this Plan within a legally enforceable ordinance.

FURTHERMORE, the Board directs staff to assist Koochiching County in finalizing the Plan including, but not limited to: providing suggested language that fulfills the contingencies noted above, other specific suggestions on improvements to the ordinance, general suggestions on legal considerations related to the ordinance.

Signature _____
Kathleen Roer, Chair
MN Board of Water & Soil Resources

Date _____

COMMITTEE RECOMMENDATIONS

Metro Water Planning Subcommittee

3. Rice Creek Watershed District
(RCWD) Watershed Management
Plan Amendment

DECISION

DRAFT

DRAFT

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

In the Matter of the review of the
Watershed Management Plan for the
Rice Creek Watershed District
pursuant to Minnesota Statutes Section
103B.231, Subdivision 9.

**ORDER APPROVING
WATERSHED
MANAGEMENT PLAN
AMENDMENT**

Whereas, the Board of Managers of the Rice Creek Watershed District (RCWD) submitted a Watershed Management Plan General Amendment to the Minnesota Board of Water and Soil Resources (Board) pursuant to M.S. Section 103B.231, Subd. 9, and;

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

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

FINDINGS OF FACT

1. **District Establishment.** The RCWD was established by the Minnesota Water Resource Board in 1972 as a means of conserving and making provident use of the waters and natural resources of the watershed.
2. **Requirement to Plan.** The Metropolitan Water Management Act requires the preparation of a watershed management plan for the subject watershed area which meets the requirements of Minnesota Statutes Sections 103B.201 to 103B.251. The RCWD Plan amendment focuses on a table updating the capital improvement program that lists anticipated or ongoing activities, their relative priority, and estimated cost. The purpose of the proposed amendment is to update and extend the implementation section of the Plan through the year 2005. Other sections of the plan remain unchanged. The proposed amendment is structured as a supplement to the current plan and would be included as a new section (Section 9). All projects and activities will be funded by a district-wide ad valorem levy. The anticipated annual tax levy for implementation of the District projects will be \$1,500,000.00

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3. **Nature of the Watershed.** The Rice Creek Watershed District (RCWD) encompasses 201 square miles and includes parts of 4 counties (Anoka, Ramsey, Washington and Hennepin), 25 cities, 5 townships, 5 special purpose districts and the St. Paul Water Commission.
4. **Local Review.** The RCWD circulated a copy of the draft Plan amendment to local units of government for their review pursuant to Minnesota Statutes Section 103B.231, Subd. 7, prior to submittal to the Metropolitan Council.
5. **Metropolitan Council Review.** In a letter dated September 24, 1999, the Council recommended that the BWSR approve the proposed Plan amendment and in a letter dated March 24, 2000 reaffirmed their recommendation for approval.
6. **Department of Agriculture Review.** In an E-mail message dated March 23, 2000, the MDA recommended approval of the RCWD Plan amendment.
7. **Department of Health Review.** The MDH did not provide comments on the RCWD Plan amendment.
8. **Department of Natural Resources Review.** The primary comments or recommendations stated by the DNR were that: 1) the RCWD consult with the department prior to design of projects and in the upgrade of it's permit program. The DNR would like to explore the idea of issuing a General Permit to the RCWD, similar to what has been done with Minnehaha Creek and Nine Mile Watershed Districts. The DNR stated in a letter dated April 14, 2000, that they have no concerns or problems with the amendments.
9. **Pollution Control Agency Review.** The primary suggestions and informational comments stated by MPCA were: 1) establishing lake capability ratings, 2) how project priorities were determined, and 3) including MPCA in phosphorus removal projects. In response, the RCWD provided additional information related to diagnostic /feasibility studies of several lakes within the district. The RCWD also provided information on the standards the District applies when evaluating projects. The MPCA stated in a letter dated November 15, 1999, that "the District should be commended for developing a lengthy list of projects ... over the next five years."

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10. **Board Review.** We recommend approval of the RCWD Plan amendment. Our initial suggestions to improve the overall clarity of the amendment were:

- Incorporate a timeline for the implementation table.
- Include a project map as was provided in the 1997 Plan.
- Provide sufficient detail to justify funding for projects not defined in 1997 Plan.
- Tabulate problems/issues consistent with each proposed project.

The RCWD response letter dated February 18, 2000, addressed all of our general suggestions to clarify and prioritize Sections 5 and 7. The amendments were also improved by the addition of the map showing historic and proposed projects and additional reference/design detail for those projects that were not addressed in the 1997 RCWD Plan.

11. **Highlights of the Plan.** The critical elements included in the Plan are:

- 1) Hardwood Creek Water Quality Improvement;
- 2) Continuing with Schuneman Marsh restoration;
- 3) Initiating a program for acquisition of easements in sensitive riparian areas;
- 4) The projects would be reviewed and reprioritized annually by the District's Board of Managers to develop the District's annual workplan and budget;
- 5) The annual workplan and budget will be distributed to all counties, municipalities and SWCDs having territory within the District, state agencies and the met council for review and comment, and a public hearing will be held prior to final adoption.

CONCLUSIONS

1. All relevant substantive and procedural requirements of law and rule have been fulfilled.
2. The Board has proper jurisdiction in the matter of approving a Watershed Management Plan Amendment for the Rice Creek Watershed District pursuant to Minnesota Statutes Sections 103B.201, Subd. 9 and 103D.405.
3. The Rice Creek Watershed District Plan Amendment attached to this Order updates the capital improvement program that lists anticipated or ongoing activities, their relative priority, and estimated cost.
4. The attached Plan is in conformance with the requirements of Minnesota Statutes Sections 103B.201 to 103B.251 and 103D.405.

ORDER

The Board hereby approves the attached Plan Amendment dated April 2000 as a supplement to the Watershed Management Plan for the Rice Creek Watershed District.

Dated at Saint Paul, Minnesota this 24th day of May 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

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BY: Kathleen M. Roer, Chair

COMMITTEE RECOMMENDATIONS

Metro Water Planning Subcommittee

4. Comfort Lake-Forest Lake

Watershed District Establishment

DECISION

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DRAFT

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

In the Matter of the Establishment of the
Comfort Lake-Forest Lake Watershed District
in Chisago and Washington Counties pursuant
to Minnesota Statutes § 103D.225, S. 3

**AMENDMENT TO ORDER
ESTABLISHING COMFORT
LAKE-FOREST LAKE
WATERSHED DISTRICT**

Whereas, the Board of Water and Soil Resources (Board) ordered the establishment of the Comfort Lake-Forest Lake Watershed District (CLFLWD) on September 23, 1999, and;

Whereas, the boundary of the watershed district depicted on "Attachment A" of the September 23, 1999 Order includes a small area of Columbus Township in Anoka County that was not listed in the order;

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

FINDINGS

1. The September 23, 1999 Order under Findings at number 2 and Order at number 3 described the area of the watershed district and referenced a map as "Attachment A".
2. The boundary of the watershed district depicted on "Attachment A" included territory in Columbus Township, Anoka County.
3. The September 23, 1999 Order did not list Columbus Township in Anoka County as having lands within the CLFLWD.

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4. At its regular meeting on March 22, 2000 the Board determined that a public hearing should be held regarding the inclusion in the CLFLWD of an approximately 460 acre area in the vicinity of Higgins Lake in Columbus Township, Anoka County, and consequently ordered a hearing to be held at a time and place to be scheduled by the Board's Executive Director, but not later than May 1, 2000. Further, the Board ordered that the Metro Water Planning Subcommittee serve as the hearing panel on behalf of the Board. (Exhibit 4)
5. Legal notices of the public hearing were published in the Forest Lakes Times on April 6 and 13, 2000. (Exhibit 6) Further, a copy of the notice was mailed to several addressees including the CLFLWD managers, Anoka, Chisago and Washington County Auditors and SWCD's, Columbus Township, Sunrise River WMO, select state agencies, interested citizens and others. (Exhibit 5)
6. A public hearing was held on the inclusion in the CLFLWD of the Higgins Lake area of Columbus Township in Anoka County on April 26, 2000, at the Forest Lake City Hall Council Chambers. The proceedings were tape recorded. Kathleen Roer, Chair, presided over the hearing.

Jim Haertel, Board staff, entered Exhibits 1 through 6 into the record by reading a brief description of each exhibit.

Exhibit 1. BWSR Board Findings, Conclusions and Order dated September 23, 1999, establishing the Comfort Lake-Forest Lake Watershed District, together with exhibits 1 through 32 and "Attachment A" as specified in said Order.

Exhibit 2. Affidavits of Service of delivery of said Order to the Secretary of State and five district managers dated October 4, 1999 and notarized October 14, 1999.

Exhibit 3. October 4, 1999 letter from Jim Haertel to district managers regarding organizational meeting.

Exhibit 4. BWSR Board Order dated March 22, 2000, ordering hearing regarding inclusion in the Comfort Lake-Forest Lake Watershed District of part of Columbus Township in Anoka County.

Exhibit 5. April 6, 2000 letter from Jim Haertel to several addressees notifying of hearing together with attachments: legal notice of public hearing, Attachment A (the map as noted in Exhibit 1 above), and the list of addressees.

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Exhibit 6. Affidavit of publication of legal notice for public hearing in Forest Lake Times on April 6 and 13, 2000.

Exhibit 7. Map, labeled Figure 1 and entitled "Watershed Areas Draining to JD1", scale 1:24000, undated.

After all people present at the public hearing were given an opportunity to speak, the hearing record was left open for two weeks until May 10, 2000, for receipt of written comments. The following exhibits were received while the record was open.

Exhibit 8. April 24, 2000 memo from Lynda Peterson, BWSR to Jim Haertel regarding the BWSR Metro Region recommendation.

Exhibit 9. May 4, 2000 e-mail from Mel Sinn, DNR-Waters regarding the lowest natural surface water outlet of Higgins Lake.

Exhibit 10. May 10, 2000 memo from Lynda Peterson, BWSR to Jim Haertel regarding the BWSR Metro Region recommendation.

7. The Metro Water Planning Subcommittee met on May 11, 2000 and, based on the oral and written record in this matter, decided the following:
 - a. The record contains no information of a compelling water resource need or problem in the subject area around Higgins Lake.
 - b. Higgins Lake is a basin with an undetermined outlet that will not likely need an outlet project in the future.
 - c. Exhibit 7 of the record shows that the benefited areas of Judicial Ditch No.1 did not include the subject Higgins Lake area. The September 23, 1999 Order under Findings at number 2 and Order at number 3 described the area of the watershed district, in part, as "...the drainage area previously managed by the Joint Washington and Chisago County Ditch Board No. 1...", which was also set forth in the original watershed district establishment petition.
 - d. The subject Higgins Lake area in Columbus Township of Anoka County presently has water resources managed through the Sunrise River Watershed Management Organization.

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- e. The immediate area of Higgins Lake in Chisago County presently has water resources managed through the Chisago County water plan.
- f. The subject Higgins Lake area in Columbus Township of Anoka County should not be included within the boundary of the Comfort Lake-Forest Lake Watershed District. Similarly, the easterly area of Higgins Lake in Chisago and Washington Counties should not be included within the boundary of the Comfort Lake-Forest Lake Watershed District.
- g. The Sunrise River Watershed Management Organization and Chisago County are encouraged to coordinate on water resources management for the immediate area of Higgins Lake in Chisago County that is not be in the Comfort Lake-Forest Lake Watershed District.

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CONCLUSIONS

1. Proper notice of hearing was given and the public hearing was held in accordance with applicable laws.
2. All relevant substantive and procedural requirements of law and rule have been fulfilled.
3. The Board has proper jurisdiction in the matter of ordering a watershed district establishment.
4. The record contains no information of a compelling water resource need or problem in the subject area around Higgins Lake.
5. Higgins Lake is a basin with an undetermined outlet that will not likely need an outlet in the future.
6. The subject Higgins Lake area in Columbus Township of Anoka County presently has water resources managed through the Sunrise River Watershed Management Organization.
7. Higgins Lake and the area in Columbus Township of Anoka County, and the easterly area of Higgins Lake in Chisago and Washington Counties should not be in the Comfort Lake-Forest Lake Watershed District.
8. The Sunrise River Watershed Management Organization and Chisago County are encouraged to coordinate on water resources management for the immediate area of Higgins Lake in Chisago County that is not be in the Comfort Lake-Forest Lake Watershed District.

ORDER

The September 23, 1999 Order establishing the Comfort Lake-Forest Lake Watershed District is amended at Findings number 2 and Order number 3 to reference "Attachment B" (instead of "Attachment A") attached and made a part of this Order hereof which excludes the entire area of Higgins Lake and territory in Columbus Township, Anoka County, and the easterly area of Higgins Lake in Chisago and Washington Counties.

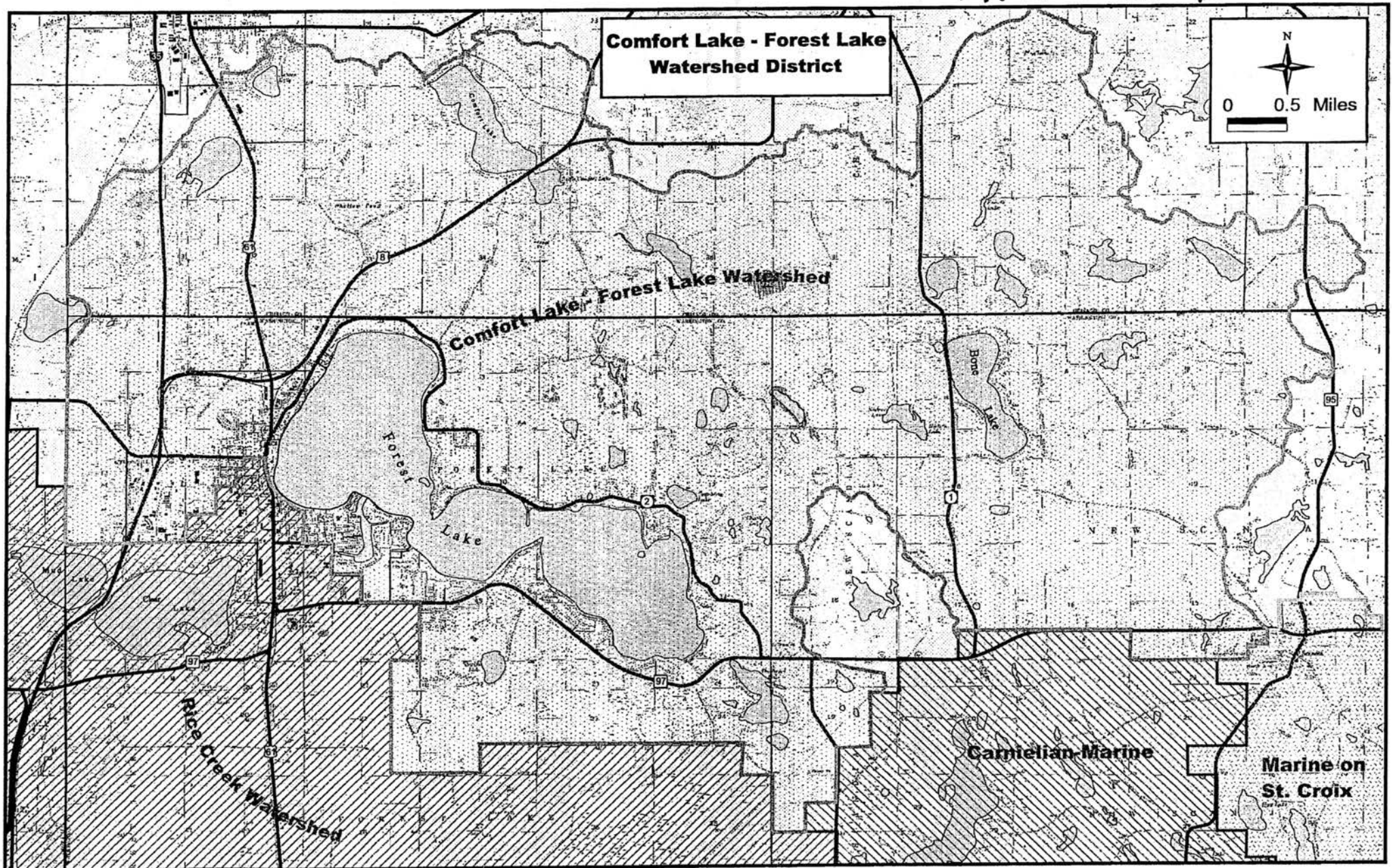
Dated this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

DRAFT

By: _____
Kathleen M. Roer, Chair

Attachment B



OLD BUSINESS

**1. Legislative Update
INFORMATION**

Conference Committee Report on H.F. No. 4078

Authors and Status

1.1 CONFERENCE COMMITTEE REPORT ON H.F. NO. 4078
 1.2 A bill for an act
 1.3 relating to capital improvements; authorizing spending
 1.4 to acquire and to better public land and buildings and
 1.5 other public improvements of a capital nature with
 1.6 certain conditions and directions; establishing the
 1.7 Red River State Recreation Area and the Mill Towns
 1.8 Trail; establishing a working group on effects of
 1.9 increased activity in the DM&E railroad corridor;
 1.10 providing for certain surcharge forgiveness for a time
 1.11 for Gillette Children's Hospital, with certain
 1.12 conditions; authorizing the sale of state bonds;
 1.13 appropriating money; amending Minnesota Statutes 1998,
 1.14 sections 85.015, by adding a subdivision; 136F.36,
 1.15 subdivisions 1, 3, and by adding a subdivision;
 1.16 136F.60, by adding a subdivision; and 136F.64,
 1.17 subdivision 1; Minnesota Statutes 1999 Supplement,
 1.18 sections 119A.45; and 124D.88, subdivision 3; Laws
 1.19 1998, chapter 404, sections 3, subdivision 24; 5,
 1.20 subdivision 11, as amended; 7, subdivision 23, as
 1.21 amended; and 23, subdivision 13; proposing coding for
 1.22 new law in Minnesota Statutes, chapter 240A.
 1.23 May 9, 2000
 1.24 The Honorable Steve Sviggum
 1.25 Speaker of the House of Representatives
 1.27 The Honorable Allan H. Spear
 1.28 President of the Senate
 1.30 We, the undersigned conferees for H.F. No. 4078, report
 1.31 that we have agreed upon the items in dispute and recommend as
 1.32 follows:
 1.33
 1.34 That the Senate recede from its amendments and that H.F. No.
 1.35 4078 be further amended as follows:
 1.36 Delete everything after the enacting clause and insert:
 2.1 "ARTICLE 1
 2.2 CAPITAL IMPROVEMENTS
 2.3 Section 1. [CAPITAL IMPROVEMENT APPROPRIATIONS.]
 2.4 The sums in the column under "APPROPRIATIONS" are
 2.5 appropriated from the bond proceeds fund, or another named fund,
 2.6 to the state agencies or officials indicated, to be spent for
 2.7 public purposes including, but not limited to, acquiring and
 2.8 bettering public land and buildings and other public
 2.9 improvements of a capital nature, as specified in this article.
 2.10 Unless otherwise specified, the appropriations in this article
 2.11 are available until the project is completed or abandoned.
 2.12 SUMMARY
 2.13 UNIVERSITY OF MINNESOTA \$ 100,213,000
 2.14 MINNESOTA STATE COLLEGES AND UNIVERSITIES 131,021,000
 2.15 PERPICH CENTER FOR ARTS EDUCATION 877,000
 2.16 CHILDREN, FAMILIES, AND LEARNING 80,741,000
 2.17 MINNESOTA STATE ACADEMIES 3,066,000
 2.18 NATURAL RESOURCES 73,177,000
 2.19 OFFICE OF ENVIRONMENTAL ASSISTANCE 2,200,000
 2.20 BOARD OF WATER AND SOIL RESOURCES 23,800,000
 2.21 AGRICULTURE 21,700,000
 2.22 ZOOLOGICAL GARDENS 1,000,000

2.23	ADMINISTRATION	81,450,000
2.24	AMATEUR SPORTS COMMISSION	1,110,000
2.25	ARTS	4,500,000
2.26	MILITARY AFFAIRS	3,625,000
2.27	VETERANS AFFAIRS	25,000
2.28	HUMAN SERVICES	12,471,000
2.29	HEALTH	7,135,000
2.30	VETERANS HOMES BOARD	11,700,000
2.31	PUBLIC SAFETY	2,844,000
2.32	CORRECTIONS	18,035,000
2.33	TRADE AND ECONOMIC DEVELOPMENT	51,382,000
2.34	HOUSING FINANCE AGENCY	2,000,000
2.35	MINNESOTA HISTORICAL SOCIETY	5,750,000
2.36	BOND SALE EXPENSES	448,000
3.1	CANCELLATIONS	(29,913,000)
3.2	TOTAL	\$ 610,357,000
3.3	Bond Proceeds Fund	
3.4	(General Fund Debt Service)	470,900,000
3.5	Bond Proceeds Fund Cancellations	(20,902,000)
3.6	Bond Proceeds Fund	
3.7	(User Financed Debt Service)	71,359,000
3.8	General Fund	98,011,000
3.9	General Fund Cancellations	(9,011,000)
3.10		APPROPRIATIONS
3.11		\$
3.12	Sec. 2. UNIVERSITY OF MINNESOTA	
3.13	Subdivision 1. To the board of regents	
3.14	of the University of Minnesota for the	
3.15	purposes specified in this section	100,213,000
3.16	Subd. 2. Higher Education Asset	
3.17	Preservation and Replacement	9,000,000
3.18	To be spent in accordance with	
3.19	Minnesota Statutes, section 135A.046.	
3.20	The unspent portion of an	
3.21	appropriation, but not to exceed ten	
3.22	percent of the appropriation, for a	
3.23	project in this section that is	
3.24	complete, is available for HEAPR under	
3.25	this subdivision, at the same campus as	
3.26	the project for which the original	
3.27	appropriation was made and the debt	
3.28	service requirement under subdivision 9	
3.29	is reduced accordingly. Minnesota	
3.30	Statutes, section 16A.642 applies from	
3.31	the date of the original appropriation	
3.32	to the unspent amount transferred.	
3.33	Subd. 3. Twin Cities - Minneapolis	
3.34	(a) Molecular and Cellular	
3.35	Biology Building	35,000,000
3.36	To complete construction, furnish, and	
3.37	equip a new molecular and cellular	
3.38	biology building on the east bank of	
3.39	the Minneapolis campus. This	
3.40	appropriation is in addition to project	
3.41	funding of \$35,000,000 in Laws 1998,	
3.42	chapter 404, section 2, subdivision 11.	
3.43	(b) Art Building	18,500,000
3.44	To design, construct, furnish, and	
3.45	equip a new art building on the west	
3.46	bank of the Minneapolis campus. This	
3.47	appropriation is contingent on	

15.19	Subd. 3. West Wing Noyes Hall	2,066,000
15.20	For mold abatement and renovation of	
15.21	the west wing of Noyes hall, including	
15.22	improvements to the mechanical system,	
15.23	to eliminate air quality problems.	
15.24	Sec. 7. NATURAL RESOURCES	
15.25	Subdivision 1. To the	
15.26	commissioner of natural resources	
15.27	for the purposes specified	
15.28	in this section	73,177,000
15.29	Subd. 2. Statewide Asset Preservation	2,000,000
15.30	For asset preservation improvements at	
15.31	the department of natural resources	
15.32	land, buildings, or other improvements	
15.33	of a capital nature throughout the	
15.34	state. The commissioner shall	
15.35	determine project priorities as	
15.36	appropriate based upon need.	
15.37	The unspent portion of an	
15.38	appropriation, but not to exceed ten	
15.39	percent of the appropriation, for a	
15.40	project in this section that is	
15.41	complete, is available for asset	
15.42	preservation. Minnesota Statutes,	
15.43	section 16A.642 applies from the date	
15.44	of the original appropriation to the	
15.45	unspent amount transferred.	
15.46	Subd. 3. Office Facility Development	3,250,000
15.47	To design, construct, furnish, and	
15.48	equip a consolidated area office and	
15.49	service facility in Fergus Falls.	
15.50	Subd. 4. ADA Compliance	2,000,000
15.51	For improvements of a capital nature to	
15.52	remove barriers and make department of	
15.53	natural resources buildings, programs,	
15.54	and services accessible to individuals	
15.55	with disabilities, in compliance with	
15.56	state and federal ADA guidelines.	
16.1	Subd. 5. State Park and Recreation Area	
16.2	Building Rehabilitation	1,900,000
16.3	To design, repair, rehabilitate,	
16.4	construct, or add to state park	
16.5	buildings throughout the state,	
16.6	according to the management plan	
16.7	required in Minnesota Statutes, chapter	
16.8	86A. The commissioner shall determine	
16.9	project priorities as appropriate based	
16.10	upon need.	
16.11	Subd. 6. Moose Lake Geologic	
16.12	Interpretive Center	1,000,000
16.13	To construct a state geologic	
16.14	interpretive center at Moose Lake state	
16.15	park that features geological artifacts	
16.16	indigenous to Minnesota. The money is	
16.17	to be used for the interpretive center	
16.18	building and exhibits, and necessary	
16.19	road, parking, and sewer work.	
16.20	Subd. 7. State Park and Recreation Area	
16.21	Betterment and Rehabilitation	1,500,000
16.22	To upgrade, repair, or rehabilitate	
16.23	improvements of a capital nature at	

16.24	state park and recreation area	
16.25	facilities throughout the state,	
16.26	including, but not limited to, resource	
16.27	management projects, trail	
16.28	rehabilitation, campground	
16.29	rehabilitation, and road and bridge	
16.30	repair. This appropriation is to	
16.31	rehabilitate the swimming pool at	
16.32	Buffalo River state park and for other	
16.33	project priorities as appropriate based	
16.34	upon need as determined by the	
16.35	commissioner.	
16.36	Subd. 8. State Park and Recreation Area	
16.37	Acquisition	500,000
16.38	For acquisition from willing sellers of	
16.39	private lands within state park and	
16.40	recreation area boundaries established	
16.41	by law. The commissioner shall	
16.42	determine project priorities as	
16.43	appropriate based upon need.	
16.44	Subd. 9. Big Bog State	
16.45	Recreation Area	2,017,000
16.46	For development of the Big Bog state	
16.47	recreation area, including interpretive	
16.48	display development, interpretive	
16.49	wayside development, bog trail	
16.50	development, campground upgrades and	
16.51	enhancements, and road and snowmobile	
16.52	trail upgrades.	
16.53	Subd. 10. Red River State	
16.54	Recreation Area	1,000,000
16.55	To develop the Red river state	
16.56	recreation area, including the	
16.57	construction of a campground. The area	
16.58	must be developed in a manner that	
16.59	provides a satisfactory, multiple use	
16.60	solution to the existing state park and	
17.1	recreation area deficiency in the area	
17.2	surrounding the city of East Grand	
17.3	Forks. The commissioner shall seek	
17.4	advice and cooperation from the	
17.5	appropriate local units of government	
17.6	and the appropriate state and national	
17.7	agencies, including, but not limited	
17.8	to, the United States Fish and Wildlife	
17.9	Service.	
17.10	Subd. 11. Regional Parks:	
17.11	Greater Minnesota	500,000
17.12	For grants to public regional parks	
17.13	organizations located outside the	
17.14	metropolitan area as defined in	
17.15	Minnesota Statutes, section 473.121,	
17.16	subdivision 2, to acquire land, design,	
17.17	and construct and redevelop regional	
17.18	parks and trails, open space, and	
17.19	recreational facilities. The	
17.20	improvements must be of a capital	
17.21	nature. Each \$3 of state grants must	
17.22	be matched by \$2 of nonstate funds.	
17.23	Subd. 12. Metro Regional Park Acquisition	
17.24	and Betterment	5,600,000

17.25 This appropriation is for a grant to
 17.26 the metropolitan council. The
 17.27 commissioner shall pay the amount on a
 17.28 reimbursement basis to the metropolitan
 17.29 council upon receipt of a certified
 17.30 copy of a council resolution requesting
 17.31 payment. The appropriation must be
 17.32 used to pay the cost of rehabilitation,
 17.33 acquisition, and development by the
 17.34 council and local government units of
 17.35 regional recreational open-space lands
 17.36 in accordance with the council's policy
 17.37 plan as provided in Minnesota Statutes,
 17.38 section 473.315. \$600,000 of this
 17.39 appropriation is for erosion control in
 17.40 Simon's Ravine at Kaposia Park. This
 17.41 appropriation must not be used for
 17.42 research, planning, administration, or
 17.43 tax equivalency payments. This
 17.44 appropriation may be used for the
 17.45 purchase of homes only if the purchases
 17.46 are included in the work program
 17.47 required by law and they are expressly
 17.48 approved by the legislative commission
 17.49 on Minnesota resources.
 17.50 Subd. 13. Como Park
 17.51 Education Resource Center 16,000,000
 17.52 For a grant to the metropolitan council
 17.53 to complete construction of education,
 17.54 administration, meeting, and visitor
 17.55 reception facilities at the Como Park
 17.56 Education Resource Center.
 17.57 As long as state bonds issued for the
 17.58 Como Park campus are outstanding,
 17.59 admission to the zoo must be free.
 17.60 Subd. 14. Forest Road and Bridge
 17.61 Projects and Forestry Recreation Facilities 1,000,000
 17.62 For reconstruction, resurfacing,
 18.1 replacement, or construction of other
 18.2 improvements of a capital nature to
 18.3 state forest roads and bridges and
 18.4 forest recreation facilities throughout
 18.5 the state. The commissioner shall
 18.6 determine project priorities as
 18.7 appropriate based upon need.
 18.8 Subd. 15. State Trail Acquisition
 18.9 and Development 3,400,000
 18.10 To acquire and develop state trails as
 18.11 specified in Minnesota Statutes,
 18.12 section 85.015.
 18.13 \$1,400,000 is to develop the Paul
 18.14 Bunyan trail between Hackensack and
 18.15 Walker.
 18.16 \$750,000 is to develop the Blazing Star
 18.17 trail in Freeborn county.
 18.18 \$400,000 is to acquire and develop the
 18.19 Gitchi-Gami trail in Lake and Cook
 18.20 counties.
 18.21 \$350,000 is to acquire and develop the
 18.22 Mill Towns Trail through and between
 18.23 the cities of Northfield and Faribault.

18.24	\$500,000 is to acquire and develop the	
18.25	Shooting Star trail between Taopi and	
18.26	Lake Louise state park.	
18.27	Subd. 16. Regional Trail Grants	500,000
18.28	For matching grants to be provided to	
18.29	local units of government under	
18.30	Minnesota Statutes, section 85.019,	
18.31	subdivision 4b, as amended in this act,	
18.32	to acquire and develop new, publicly	
18.33	owned trails of regional significance.	
18.34	Of this amount, \$250,000 is to the city	
18.35	of Fairfax to connect the Fair Ridge	
18.36	trail from Fort Ridgely state park to	
18.37	the city of Fairfax; and \$50,000 is to	
18.38	Rock county to connect the Blue Mounds	
18.39	state park to the city of Luverne. The	
18.40	commissioner shall determine project	
18.41	priorities as appropriate based on need.	
18.42	Subd. 17. St. Paul - Upper	
18.43	Landing Park	3,000,000
18.44	For a grant to the city of St. Paul to	
18.45	match a federal authorization for	
18.46	developing the Upper Landing Park.	
18.47	Subd. 18. Metro Greenways and Natural	
18.48	Areas	1,500,000
18.49	To provide grants to local units of	
18.50	government for acquisition or	
18.51	betterment of greenways and natural	
18.52	areas in the metro region and to	
18.53	acquire greenways and natural areas in	
18.54	the metro region through the purchase	
18.55	of conservation easements or fee	
18.56	titles. The commissioner shall	
18.57	determine the project priorities and	
18.58	shall consult with representatives of	
19.1	local units of government, nonprofit	
19.2	organizations, and other interested	
19.3	parties.	
19.4	Subd. 19. Lake Minnetonka Public Access	4,000,000
19.5	To acquire and develop a public access	
19.6	site on the southwest side of Gray's	
19.7	Bay on Lake Minnetonka.	
19.8	Subd. 20. Lake Superior Public	
19.9	Access - McQuade Road	2,000,000
19.10	To design and develop a public access	
19.11	at McQuade Road on Lake Superior in	
19.12	cooperation with the joint powers board	
19.13	made up of the city of Duluth, St.	
19.14	Louis county, the town of Duluth, and	
19.15	the town of Lakewood.	
19.16	This appropriation is not available	
19.17	until the commissioner has determined	
19.18	that at least \$2,000,000 has been	
19.19	committed from federal sources.	
19.20	Subd. 21. Harbor of Refuge at Two Harbors	1,000,000
19.21	To develop the harbor of refuge and	
19.22	marina at Two Harbors, including public	
19.23	access improvements, marina slips,	
19.24	parking facilities, utilities, a fuel	
19.25	dock, and an administration building.	
19.26	This appropriation is not available	

19.27 until the commissioner has determined
19.28 that at least \$500,000 has been
19.29 committed from federal sources.
19.30 Subd. 22. Dam Repair, Reconstruction,
19.31 and Removal 1,200,000
19.32 For emergency repair or for
19.33 reconstruction or removal of publicly
19.34 owned dams. The commissioner shall
19.35 determine project priorities as
19.36 appropriate based upon need as provided
19.37 in Minnesota Statutes, section
19.38 103G.511. Projects include but need
19.39 not be limited to dam removals at
19.40 Mazeppa and Cannon Falls and dam
19.41 repairs at Lake Bronson.
19.42 \$246,000 of this appropriation is from
19.43 the general fund to include but not be
19.44 limited to engineering work for the
19.45 removal of the Drayton dam and removal
19.46 of the Straight River dam in Faribault
19.47 and the Old Mill State Park dam. Up to
19.48 \$60,000 of the general fund
19.49 appropriation may be used to reimburse
19.50 the city of Mazeppa for engineering
19.51 costs incurred before March 1, 2000, on
19.52 the Mazeppa Dam removal project.
19.53 Subd. 23. Flood Hazard Mitigation Grants 14,000,000
19.54 For the flood hazard mitigation grant
19.55 program to local government units for
19.56 publicly owned capital improvements to
19.57 prevent or alleviate flood damages
19.58 under Minnesota Statutes, section
20.1 103F.161. The commissioner shall
20.2 determine project priorities as
20.3 appropriate based upon need.
20.4 Funding for the Red River basin
20.5 mediation agreement that is in addition
20.6 to the governor's recommendation, and
20.7 funding to mitigate past flood damage
20.8 and prevent future flooding at Lake of
20.9 the Isles in Minneapolis, must be
20.10 reduced by 25 percent from the level
20.11 those projects would have received with
20.12 a total appropriation of \$16,000,000.
20.13 Subd. 24. Ring Dikes 300,000
20.14 This appropriation is from the general
20.15 fund and is for the construction of
20.16 ring dikes under Minnesota Statutes,
20.17 section 103F.161. The ring dikes may
20.18 be publicly or privately owned.
20.19 Subd. 25. Lewis and Clark
20.20 Rural Water System 610,000
20.21 For a grant to the Lewis and Clark
20.22 joint powers board to provide 50
20.23 percent of the nonfederal share of
20.24 funding the construction of a rural
20.25 water system to serve southwestern
20.26 Minnesota. This appropriation is
20.27 available to the extent matched by \$8
20.28 of federal money and \$1 of local money
20.29 for each \$1 of state money.

20.30	Subd. 26. Scientific and Natural Area	
20.31	Acquisition and Improvement	500,000
20.32	To acquire land for scientific and	
20.33	natural areas and for development,	
20.34	protection, or improvements of a	
20.35	capital nature to scientific and	
20.36	natural areas throughout the state.	
20.37	The commissioner shall determine	
20.38	project priorities as appropriate based	
20.39	upon need.	
20.40	Subd. 27. RIM Critical Habitat Match	750,000
20.41	To provide the state match for the	
20.42	critical habitat private sector	
20.43	matching account under Minnesota	
20.44	Statutes, section 84.943, for the	
20.45	acquisition or improvements of a	
20.46	capital nature to critical fish,	
20.47	wildlife, and native plant habitats.	
20.48	The commissioner shall determine	
20.49	project priorities as appropriate based	
20.50	upon need.	
20.51	Subd. 28. RIM Wildlife Development	
20.52	and Habitat Improvements	1,000,000
20.53	For improvements of a capital nature to	
20.54	develop, protect, or improve habitat on	
20.55	wildlife management areas and other	
20.56	state lands and waters throughout the	
20.57	state. The commissioner shall	
20.58	determine project priorities as	
20.59	appropriate based upon need.	
21.1	Subd. 29. Native Prairie	
21.2	Bank Easements	1,000,000
21.3	For acquisition of prairie bank	
21.4	easements under Minnesota Statutes,	
21.5	section 84.96.	
21.6	Subd. 30. Taylors Falls -	
21.7	St. Croix Valley Heritage Center	150,000
21.8	This appropriation is from the general	
21.9	fund.	
21.10	For a grant to the St. Croix Valley	
21.11	Heritage Coalition, Inc. to assist it	
21.12	in developing plans for creation of the	
21.13	St. Croix Valley Heritage Center at	
21.14	Taylors Falls.	
21.15	Subd. 31. Work Program	
21.16	The commissioner must submit a work	
21.17	program and semiannual progress reports	
21.18	in the form determined by the	
21.19	legislative commission on Minnesota	
21.20	resources and request its	
21.21	recommendation before spending any	
21.22	money appropriated by subdivisions 5 to	
21.23	13, 15 to 21, and 26 to 29. The	
21.24	commission's recommendation is advisory	
21.25	only. Failure to respond to a request	
21.26	within 60 days after receipt is a	
21.27	positive recommendation. Work programs	
21.28	involving land acquisition must include	
21.29	a land acquisition plan.	
21.30	Sec. 8. OFFICE OF	
21.31	ENVIRONMENTAL ASSISTANCE	2,200,000

21.32 To the office of environmental
 21.33 assistance for the solid waste capital
 21.34 assistance grants program under
 21.35 Minnesota Statutes, section 115A.54.
 21.36 Grants under this section are exempt
 21.37 from the requirements of Minnesota
 21.38 Statutes, section 16B.335.
 21.39 Sec. 9. BOARD OF WATER AND SOIL RESOURCES
 21.40 Subdivision 1. To the board
 21.41 of water and soil resources for the
 21.42 purposes specified in this section 23,800,000
 21.43 Subd. 2. RIM and PWP
 21.44 Conservation Easements 1,000,000
 21.45 This appropriation is for the following
 21.46 purposes:
 21.47 (1) to acquire conservation easements
 21.48 from landowners on marginal lands to
 21.49 protect soil and water quality and to
 21.50 support fish and wildlife habitat as
 21.51 provided in Minnesota Statutes, section
 21.52 103F.515; and
 21.53 (2) to acquire perpetual conservation
 21.54 easements on existing type 1, 2, 3, and
 21.55 6 wetlands and adjacent lands, and for
 21.56 the establishment of permanent cover on
 21.57 adjacent lands, in accordance with
 22.1 Minnesota Statutes, section 103F.516.
 22.2 Subd. 3. Minnesota River Basin
 22.3 Conservation Reserve Enhancement Program 20,000,000
 22.4 To acquire easements and implement
 22.5 conservation practices on frequently
 22.6 flooded cropland, including land within
 22.7 the 100-year floodplain and the major
 22.8 tributaries; on marginal cropland along
 22.9 rivers and streams; and on drained or
 22.10 altered wetlands in the Minnesota river
 22.11 basin to protect soil, enhance water
 22.12 quality, and support fish and wildlife
 22.13 habitat as provided in Minnesota
 22.14 Statutes, sections 103F.515 and
 22.15 103F.516.
 22.16 Subd. 4. Implementation 500,000
 22.17 This appropriation is from the general
 22.18 fund.
 22.19 For administrative expenses to
 22.20 implement subdivisions 2 and 3.
 22.21 Subd. 5. Wetland Replacement
 22.22 Due to Public Road Projects 2,300,000
 22.23 To acquire land for wetlands or restore
 22.24 wetlands to be used to replace wetlands
 22.25 drained or filled as a result of the
 22.26 repair, maintenance, or rehabilitation
 22.27 of existing public roads as required by
 22.28 Minnesota Statutes, section 103G.222,
 22.29 subdivision 1, paragraph (m).
 22.30 The purchase price paid for acquisition
 22.31 of land, fee, or perpetual easement,
 22.32 must be the amount deemed reasonable by
 22.33 the board. The board may enter into
 22.34 agreements with the federal government,
 22.35 other state agencies, political

22.36 subdivisions, and nonprofit
 22.37 organizations or fee owners to acquire
 22.38 land and restore and create wetlands
 22.39 and to acquire existing wetland banking
 22.40 credits with money provided by this
 22.41 appropriation. Acquisition of or the
 22.42 conveyance of land may be in the name
 22.43 of the political subdivision.
 22.44 By October 15, 2000, the board of water
 22.45 and soil resources shall make a
 22.46 recommendation to the governor and the
 22.47 legislature on the inclusion of wetland
 22.48 replacement under Minnesota Statutes,
 22.49 section 103G.222, subdivision 1,
 22.50 paragraph (m), as a biennial budget
 22.51 item.
 22.52 Subd. 6. Work Program
 22.53 The board must submit a work program
 22.54 and semiannual progress reports in the
 22.55 form determined by the legislative
 22.56 commission on Minnesota resources and
 22.57 request its recommendation before
 22.58 spending any money appropriated by this
 22.59 section. The commission's
 22.60 recommendation is advisory only.
 23.1 Failure to respond to a request within
 23.2 60 days after receipt is a positive
 23.3 recommendation. Work programs
 23.4 involving land acquisition must include
 23.5 a land acquisition plan.
 23.6 Sec. 10. AGRICULTURE
 23.7 Subdivision 1. To the commissioner of
 23.8 agriculture, or another named agency for
 23.9 the purposes specified in this section 21,700,000
 23.10 Subd. 2. Rural Finance Authority
 23.11 Loan Participation 20,000,000
 23.12 To the rural finance authority to
 23.13 purchase participation interests in or
 23.14 to make direct agricultural loans to
 23.15 farmers under Minnesota Statutes,
 23.16 chapter 41B. This appropriation is for
 23.17 the beginning farmer program under
 23.18 Minnesota Statutes, section 41B.039,
 23.19 the loan restructuring program under
 23.20 Minnesota Statutes, section 41B.04, the
 23.21 seller-sponsored program under
 23.22 Minnesota Statutes, section 41B.042,
 23.23 the agricultural improvement loan
 23.24 program under Minnesota Statutes,
 23.25 section 41B.043, and the livestock
 23.26 expansion loan program under Minnesota
 23.27 Statutes, section 41B.045. All debt
 23.28 service on bond proceeds used to
 23.29 finance this appropriation must be
 23.30 repaid by the rural finance authority
 23.31 under Minnesota Statutes, section
 23.32 16A.643. Loan participations must be
 23.33 priced to provide full interest and
 23.34 principal coverage and a reserve for
 23.35 potential losses.
 23.36 Loans for capital projects from this

23.37 appropriation are exempt from Minnesota
 23.38 Statutes, section 16B.335. Priority
 23.39 for loans must be given first to basic
 23.40 beginning farmer loans; second, to
 23.41 seller-sponsored loans; and third, to
 23.42 agricultural improvement loans.
 23.43 Subd. 3. Agriculture Best
 23.44 Management Practices Loans 1,000,000
 23.45 This appropriation is from the general
 23.46 fund.
 23.47 For the agricultural best management
 23.48 practices loan program under Minnesota
 23.49 Statutes, section 17.117. In addition
 23.50 to the water quality best management
 23.51 practices eligible for funding under
 23.52 Minnesota Statutes, section 17.117,
 23.53 odor and other air quality best
 23.54 management practices for agricultural
 23.55 livestock facilities are also eligible
 23.56 for funding under this appropriation.
 23.57 Subd. 4. Agroforestry Loan
 23.58 Program 200,000
 23.59 This appropriation is from the general
 23.60 fund to the agroforestry revolving loan
 23.61 fund created in new Minnesota Statutes,
 24.1 section 41B.048.
 24.2 Notwithstanding section 41B.048,
 24.3 subdivision 5, clause (3), a recipient
 24.4 of a loan from this appropriation need
 24.5 not be a member of a producer-owned
 24.6 cooperative that will contract to
 24.7 market the agroforestry crop, but at
 24.8 least 50 percent of this appropriation
 24.9 must be used for loans to recipients
 24.10 who are members.
 24.11 Subd. 5. Minnesota Center for
 24.12 Agricultural Innovation 500,000
 24.13 For a grant to the city of Olivia to
 24.14 establish the Minnesota center for
 24.15 agricultural innovation to promote
 24.16 agricultural innovation by providing a
 24.17 place for experts to gather and study
 24.18 agricultural technology.
 24.19 The appropriation is not available
 24.20 until the commissioner determines that
 24.21 \$500,000 has been committed to the
 24.22 project from nonstate sources.
 24.23 Sec. 11. MINNESOTA ZOOLOGICAL
 24.24 GARDENS 1,000,000
 24.25 Heating and Cooling System
 24.26 For design, repair, and upgrades to the
 24.27 heating and cooling systems at the
 24.28 Minnesota Zoo.
 24.29 Sec. 12. ADMINISTRATION
 24.30 Subdivision 1. To the commissioner
 24.31 of administration for the purposes
 24.32 specified in this section 81,450,000
 24.33 Subd. 2. Capital Asset
 24.34 Preservation and Replacement (CAPRA) 10,000,000
 24.35 To be spent in accordance with
 24.36 Minnesota Statutes, section 16A.632.

33.12 remaining from prior appropriations may
 33.13 be used for construction.
 33.14 Subd. 9. Asset Preservation
 33.15 The unspent portion of an
 33.16 appropriation, but not to exceed ten
 33.17 percent of the appropriation, for a
 33.18 project in this section that is
 33.19 complete, is available for asset
 33.20 preservation. Minnesota Statutes,
 33.21 section 16A.642 applies from the date
 33.22 of the original appropriation to the
 33.23 unspent amount transferred.
 33.24 Subd. 10. Per Diem Money for
 33.25 Capital Improvements
 33.26 If the commissioner of corrections
 33.27 contracts with other states, local
 33.28 units of government, or the federal
 33.29 government to rent beds in the Rush
 33.30 City correctional facility under
 33.31 Minnesota Statutes, section 243.51,
 33.32 subdivision 1, to the extent possible,
 33.33 the commissioner shall charge a per
 33.34 diem under the contract that is equal
 33.35 to or greater than the per diem cost of
 33.36 housing Minnesota inmates in the
 33.37 facility. This per diem cost shall be
 33.38 based on the assumption that the
 33.39 facility is at or near capacity.
 33.40 Notwithstanding any laws to the
 33.41 contrary, the commissioner may use the
 33.42 per diem monies for capital
 33.43 improvements recommended by the
 33.44 governor.
 33.45 Sec. 22. TRADE AND ECONOMIC DEVELOPMENT
 33.46 Subdivision 1. To the commissioner of
 33.47 trade and economic development or other
 33.48 named agency for the purposes
 33.49 specified in this section 51,382,000
 33.50 Subd. 2. State Match for Federal Grants 12,893,000
 33.51 To the public facilities authority:
 33.52 (a) To match federal grants to the
 33.53 water pollution control revolving fund
 33.54 under Minnesota Statutes, section
 33.55 446A.07, for eligible projects in the
 33.56 following locations and other locations
 33.57 as determined by the authority:
 33.58 Jordan, La Porte, Butterfield, St. Paul
 33.59 South Highwood, Hibbing, Spring Lake
 33.60 township, Red Wing, Rollingstone,
 33.61 Dassel, Cannon Falls, St. Michael,
 34.1 Northfield, St. Paul I/I Phase II and
 34.2 III, metropolitan council environmental
 34.3 services, Warroad, Audubon, Broton,
 34.4 Clarissa, Currie, Dover-Eyota-St.
 34.5 Charles, Eagle Bend, Fischer, Granite
 34.6 Falls, Hendricks, Hoffman, Magnolia,
 34.7 Red Wing, West Concord, Zumbrota, Avon,
 34.8 Biwabik, Chatfield, Claremont, Cold
 34.9 Spring, Coleraine/Bovey/Taconite,
 34.10 Elmore, New Germany, Ostrander, Rogers,
 34.11 and Waldorf.

34.12 (b) To match federal grants to the
34.13 drinking water revolving fund under
34.14 Minnesota Statutes, section 446A.081,
34.15 for eligible projects in the following
34.16 locations and other locations as
34.17 determined by the authority: Green
34.18 Lake SSWD, McGregor, Zumbro Falls,
34.19 Shakopee, Aitkin, Eden Valley/Watkins,
34.20 Long Prairie, Finlayson, Coleraine,
34.21 Ottertail, Rock county rural water
34.22 district, Rochester, Brooten, Howard
34.23 Lake, Watertown, Osseo, Victoria,
34.24 Lansing Township, Dayton, Henning, Pine
34.25 River, Staples, Hoffman, Ely, Eden
34.26 Valley, Glenwood, Winnebago,
34.27 Montevideo, Clearwater, Tracy, Echo,
34.28 New Richland, Underwood, Hibbing,
34.29 Kenyon, Brownston, Wanamingo, Waite
34.30 Park, Dover, Mayer, New Trier, Onamia,
34.31 Hinckley, Lyle, Richmond, and Cokato.
34.32 (c) The expenditure and allocation of
34.33 state matching money between funds
34.34 described in paragraphs (a) and (b)
34.35 must be based on the amount of federal
34.36 money appropriated to the funds. This
34.37 appropriation must be used for
34.38 qualified capital projects.
34.39 Subd. 3. Wastewater Infrastructure
34.40 Funding Program
34.41 \$10,409,000 of this appropriation is
34.42 from the general fund of which \$319,000
34.43 is to administer the wastewater
34.44 infrastructure fund program.
34.45 To the public facilities authority for
34.46 grants to eligible municipalities under
34.47 the wastewater infrastructure program
34.48 established in Minnesota Statutes,
34.49 section 446A.072.
34.50 To the greatest extent practical, the
34.51 authority should use the grants for
34.52 projects on the 2000 intended use plan
34.53 in priority order to qualified
34.54 applicants that submit plans and
34.55 specifications to the pollution control
34.56 agency or receive a funding commitment
34.57 from USDA rural development before
34.58 December 1, 2001. In determining
34.59 whether the penalty factor under
34.60 Minnesota Rules, part 7077.0196, should
34.61 be applied to a project, the pollution
34.62 control agency shall, beginning with
34.63 the 2001 Intended Use Plan and Project
34.64 Priority list, first assess the impact
34.65 of the new or expanded discharge
35.1 compared to the impact of the
35.2 preexisting conditions and to the
35.3 impact of alternative discharge
35.4 locations. If the agency determines
35.5 that the new or expanded discharge is
35.6 to a less environmentally sensitive
35.7 area or that it is the preferable

18,319,000

35.8 location for the discharge compared to
 35.9 the alternatives, the agency shall not
 35.10 apply the penalty factor to the project.
 35.11 The pollution control agency shall
 35.12 include as a factor in prioritizing
 35.13 projects whether a project is a
 35.14 multijurisdictional project connecting
 35.15 areas with failing onsite treatment
 35.16 systems with an existing or regional
 35.17 wastewater treatment system.
 35.18 The authority shall set aside up to
 35.19 \$400,000 for the Innovative Technology
 35.20 Grants Program to provide 50 percent
 35.21 reimbursement for the cost of equipment
 35.22 and installation into an existing
 35.23 municipal wastewater treatment system.
 35.24 The project must be approved by the
 35.25 pollution control agency and
 35.26 demonstrate the application of existing
 35.27 technology that has not been used
 35.28 before in the treatment of municipal
 35.29 wastewater, but has the potential to
 35.30 improve the treatment of wastewater or
 35.31 make the treatment process more cost
 35.32 effective.
 35.33 Beginning with the 2001 intended use
 35.34 plan, the pollution control agency
 35.35 shall include whether a community has a
 35.36 moratorium on development as a factor
 35.37 in prioritizing projects. The agency
 35.38 shall adopt rules implementing the
 35.39 provisions of this paragraph under
 35.40 Minnesota Statutes, section 14.389.
 35.41 Subd. 4. Clean Water Partnership 2,000,000
 35.42 For deposit in the water pollution
 35.43 control fund under Minnesota Statutes,
 35.44 section 446A.07, for the clean water
 35.45 partnership loan program under
 35.46 Minnesota Statutes, section 103F.725.
 35.47 Subd. 5. Redevelopment Account 6,000,000
 35.48 This appropriation is from the general
 35.49 fund.
 35.50 For transfer to the redevelopment
 35.51 accounts created in Minnesota Statutes,
 35.52 section 116J.561.
 35.53 Subd. 6. Hennepin County -
 35.54 Empowerment Zone Projects 3,000,000
 35.55 For a grant to Hennepin county to
 35.56 acquire and renovate a public service
 35.57 center as part of the Great Lake Center
 35.58 empowerment zone project.
 35.59 Subd. 7. Landfall HRA Retaining Walls 100,000
 35.60 For a grant to the city of Landfall
 36.1 Housing and Redevelopment Authority to
 36.2 repair or replace deteriorating
 36.3 retaining walls.
 36.4 Subd. 8. Kanabec County -
 36.5 Mora Workforce Center Elevator 100,000
 36.6 For a grant to Kanabec county to
 36.7 install an elevator in the county
 36.8 building in Mora to bring the building

Supplemental Bill (HF2699) Passed by the Legislature on Wednesday, May 10, 2000
for BWSR

33.16 ARTICLE 3

33.17 ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE

33.18 Section 1. [APPROPRIATIONS.]

33.19 The sums shown in the columns marked "APPROPRIATIONS" are

33.20 appropriated from the general fund, or any other fund named, to

33.21 the agencies and for the purposes specified in this article, to

33.22 be available for the fiscal years indicated for each purpose.

33.23 The figures "2000" and "2001" mean that the appropriation or

33.24 appropriations listed under them are available for the fiscal

33.25 year ending June 30, 2000, or June 30, 2001, respectively, and

33.26 if an earlier appropriation was made for that purpose for that

33.27 year, the appropriation in this article is added to it.

33.28 APPROPRIATIONS

33.29 Available for the Year

33.30 Ending June 30

33.31 2000 2001

33.32 Sec. 2. POLLUTION CONTROL AGENCY 307,000 -0-

33.33 \$306,000 is to administer the

33.34 wastewater infrastructure fund. This

33.35 is a one-time appropriation and is

33.36 available until June 30, 2001.

33.37 The agency must allocate \$104,000 of

33.38 the appropriation in Laws 1999, chapter

33.39 231, section 2, for WIF construction

33.40 program administration.

34.1 \$1,000 is appropriated from the general

34.2 fund in fiscal year 2000 for the air

34.3 quality permitting process required to

34.4 allow an existing resource recovery

34.5 facility in Hennepin county to operate

34.6 at its maximum yearly capacity as

34.7 provided in section 30. This is a

34.8 one-time appropriation and is available

34.9 until June 30, 2001. This amount shall
34.10 be reimbursed by the applicant for the
34.11 permit.

34.12 \$865,000 from the balance in the
34.13 environmental fund shall be canceled to
34.14 the general fund by June 30, 2001.

34.15 Sec. 3. BOARD OF WATER

34.16 AND SOIL RESOURCES 2,650,000 400,000

34.17 \$400,000 in fiscal year 2001 is for
34.18 professional and technical services to
34.19 replace wetlands under Minnesota
34.20 Statutes, section 103G.222, subdivision

34.21 1. This is a one-time appropriation.

34.22 \$2,650,000 in fiscal year 2000 is for
34.23 the purposes of sections 40 to 43.

34.24 This is a one-time appropriation and
34.25 remains available until expended.

34.26 Administrative costs may not exceed ten
34.27 percent of the appropriation.

34.28 Sec. 4. NATURAL RESOURCES 5,414,000 -0-

34.29 \$3,955,000 in fiscal year 2000 is for
34.30 the settlement of legal costs incurred
34.31 by the Mille Lacs Band, St. Croix Band,
34.32 Bad River Band, Red Cliff Band, Lac du
34.33 Flambeau Band, Sokaogon Chippewa
34.34 Community, and the Lac Courte Oreilles
34.35 Band related to the 1837 Treaty
34.36 litigation.

34.37 The money necessary for the interest
34.38 payment on the settlement of legal
34.39 costs in the 1837 Treaty litigation is
34.40 appropriated in fiscal year 2000. The
34.41 amount of the interest payment shall be
34.42 determined by applying an interest
34.43 amount of \$614.30 for each day
34.44 beginning December 10, 1999, through
34.45 the day of payment of the legal costs.

34.46 \$1,459,000 in fiscal year 2000 is for
34.47 grants to Lake, Cook, and St. Louis
34.48 counties for emergency communications
34.49 equipment, emergency response
34.50 equipment, and emergency planning and
34.51 training to respond to a major
34.52 wildfire. Of this amount, \$227,000 is
34.53 for a grant to Lake county, \$430,000 is
34.54 for a grant to Cook county, and
34.55 \$802,000 is for a grant to St. Louis
34.56 county. St. Louis county must use a
34.57 portion of the grant to purchase a NOAA
34.58 warning system that can be used by all
34.59 of the counties receiving grants under
34.60 this section. This appropriation is
34.61 available until June 30, 2001.

34.62 The commissioner may use up to 50
35.1 percent of a snowmobile maintenance and
35.2 grooming grant under Minnesota
35.3 Statutes, section 84.83, that was
35.4 available as of December 31, 1999, to
35.5 reimburse the intended recipient for
35.6 the actual cost of snowmobile trail
35.7 grooming equipment. The costs must be
35.8 incurred in fiscal year 2000 and
35.9 recipients seeking reimbursement under
35.10 this paragraph must provide acceptable
35.11 documentation of the costs to the
35.12 commissioner. All applications for
35.13 reimbursement under this paragraph must
35.14 be received no later than September 1,
35.15 2000.

35.16	Sec. 5. AGRICULTURE	870,000	869,000
35.17	\$120,000 in fiscal year 2000 and		
35.18	\$374,000 in fiscal year 2001 are for		
35.19	expansion of the state meat inspection		
35.20	program. If the appropriation for		

35.21 either year is insufficient, the
35.22 appropriation for the other year is
35.23 available.
35.24 \$200,000 in fiscal year 2001 is for
35.25 grants to one or more cooperative
35.26 associations organized under Minnesota
35.27 Statutes, chapter 308A, primarily for
35.28 the purpose of facilitating the
35.29 production and marketing of short
35.30 rotation woody crops. The grants must
35.31 be matched by \$1 of nonstate money for
35.32 each dollar. This is a one-time
35.33 appropriation and remains available
35.34 until expended.
35.35 \$150,000 in fiscal year 2001 is for a
35.36 grant to the Center for Farm Financial
35.37 Management at the University of
35.38 Minnesota for purposes of a
35.39 comprehensive effort to develop
35.40 software and training materials to help
35.41 farmers improve their profitability
35.42 through sophisticated business
35.43 planning. The software and training
35.44 will complement existing FINPACK farm
35.45 management tools. No later than March
35.46 1, 2001, the center must report to the
35.47 agriculture policy and finance
35.48 committees of the senate and the house
35.49 of representatives on the software
35.50 development program. This is a
35.51 one-time appropriation and is available
35.52 until March 31, 2001.
35.53 \$300,000 in fiscal year 2000 is to
35.54 establish an agricultural water quality
35.55 and quantity management, research,
35.56 demonstration, and education program.
35.57 Of this appropriation, \$150,000 is for

35.58 projects at the Lamberton site and
35.59 \$150,000 is for projects at the Waseca
35.60 site. The commissioner may contract
35.61 with the University of Minnesota or
35.62 other parties for the implementation of
35.63 parts of the program. This
35.64 appropriation is available until spent
35.65 and is a one-time appropriation.

36.1 \$150,000 in fiscal year 2000 is for the
36.2 farm advocates program. This is a
36.3 one-time appropriation and is available
36.4 until June 30, 2001.

36.5 \$170,000 in fiscal year 2001 is to
36.6 expand the concept of the Minnesota
36.7 grown pilot program under Laws 1998,
36.8 chapter 401, section 6. This is a
36.9 one-time appropriation.

36.10 \$300,000 in fiscal year 2000 is for
36.11 grants to organizations participating
36.12 in the farm wrap network and the rural
36.13 help network. The grants may be used
36.14 for outreach services, legal and
36.15 accounting services, and informal
36.16 mediation support for farmers. This is
36.17 a one-time appropriation and is
36.18 available until June 30, 2001.

36.19 The appropriation for fiscal year 2001
36.20 in Laws 1999, chapter 231, section 11,
36.21 subdivision 2, for the dairy producers
36.22 board is canceled.

36.23	Sec. 6. BOARD OF ANIMAL HEALTH	245,000	-0-
36.24	\$245,000 is for continued efforts to		
36.25	control pseudorabies in swine. This		
36.26	appropriation may be used to cover the		
36.27	costs of pseudorabies monitoring,		
36.28	vaccines, blood tests, and laboratory		
36.29	fees. This is a one-time		

36.30 appropriation, is in addition to the
36.31 appropriation in Laws 1999, chapter 45,
36.32 section 1, and is available until June
36.33 30, 2001.

36.34 Sec. 7. MINNESOTA RESOURCES

36.35 The availability of the appropriation
36.36 for the following project is extended
36.37 to June 30, 2002: Laws 1997, chapter
36.38 216, section 15, subdivision 4,
36.39 paragraph (c), clause (3), local
36.40 initiatives grants program. \$250,000
36.41 is to provide matching funds for an
36.42 ISTE grant and to provide acquisition
36.43 and engineering costs for a proposed
36.44 trail between the city of Pelican
36.45 Rapids and Maplewood state park.
36.46 The availability of the appropriation
36.47 for the following project is extended
36.48 to June 30, 2001: Laws 1997, chapter
36.49 216, section 15, subdivision 4,
36.50 paragraph (b), metropolitan regional
36.51 park system, for the portion related to
36.52 Hyland-Bush-Anderson Lake Park Reserve
36.53 development.

36.54 Sec. 8. Minnesota Statutes 1998, section 17.4988,
36.55 subdivision 2, is amended to read:

36.56 Subd. 2. [AQUATIC FARMING LICENSE.] (a) The annual fee for
36.57 an aquatic farming license is ~~\$275~~ \$70.

36.58 (b) The aquatic farming license may contain endorsements
37.1 for the rights and privileges of the following licenses under
37.2 the game and fish laws. The endorsement must be made upon
37.3 payment of the license fee prescribed in section 97A.475 for the
37.4 following licenses:

- 37.5 (1) minnow dealer license;
- 37.6 (2) minnow retailer license for sale of minnows as bait;
- 37.7 (3) minnow exporting license;
- 37.8 (4) aquatic farm vehicle endorsement, which includes a

37.9 minnow dealer vehicle license, a minnow retailer vehicle
37.10 license, an exporting minnow vehicle license, and a fish vendor
37.11 license;
37.12 (5) sucker egg taking license; and
37.13 (6) game fish packers license.
37.14 Sec. 9. Minnesota Statutes 1998, section 17A.03,
37.15 subdivision 5, is amended to read:
37.16 Subd. 5. [LIVESTOCK.] "Livestock" means cattle, sheep,
37.17 swine, horses intended for slaughter, mules, farmed cervidae, as
37.18 defined in section 17.451, subdivision 2, llamas, as defined in
37.19 section 17.455, subdivision 2, ratitae, as defined in section
37.20 17.453, subdivision 3, buffalo, and goats.
37.21 Sec. 10. Minnesota Statutes 1998, section 18E.04,
37.22 subdivision 4, is amended to read:
37.23 Subd. 4. [REIMBURSEMENT PAYMENTS.] (a) The board shall pay
37.24 a person that is eligible for reimbursement or payment under
37.25 subdivisions 1, 2, and 3 from the agricultural chemical response
37.26 and reimbursement account for:
37.27 (1) 90 percent of the total reasonable and necessary
37.28 corrective action costs greater than \$1,000 and less than or
37.29 equal to \$100,000; and
37.30 (2) 100 percent of the total reasonable and necessary
37.31 corrective action costs greater than \$100,000 but less than or
37.32 equal to \$200,000;
37.33 (3) 80 percent of the total reasonable and necessary
37.34 corrective action costs greater than \$200,000 but less than or
37.35 equal to \$300,000; and
37.36 (4) 60 percent of the total reasonable and necessary
38.1 corrective action costs greater than \$300,000 but less than or
38.2 equal to \$350,000.
38.3 (b) A reimbursement or payment may not be made until the
38.4 board has determined that the costs are reasonable and are for a
38.5 reimbursement of the costs that were actually incurred.
38.6 (c) The board may make periodic payments or reimbursements
38.7 as corrective action costs are incurred upon receipt of invoices
38.8 for the corrective action costs.
38.9 (d) Money in the agricultural chemical response and

38.10 reimbursement account is appropriated to the commissioner to
38.11 make payments and reimbursements directed by the board under
38.12 this subdivision.

38.13 (e) The board may not make reimbursement greater than the
38.14 maximum allowed under paragraph (a) for all incidents on a
38.15 single site which:

38.16 (1) were not reported at the time of release but were
38.17 discovered and reported after July 1, 1989; and

38.18 (2) may have occurred prior to July 1, 1989, as determined
38.19 by the commissioner.

38.20 (f) The board may only reimburse an eligible person for
38.21 separate incidents within a single site if the commissioner
38.22 determines that each incident is completely separate and
38.23 distinct in respect of location within the single site or time
38.24 of occurrence.

38.25 Sec. 11. Minnesota Statutes 1998, section 41A.09,
38.26 subdivision 3a, is amended to read:

38.27 Subd. 3a. [PAYMENTS.] (a) The commissioner of agriculture
38.28 shall make cash payments to producers of ethanol, anhydrous
38.29 alcohol, and wet alcohol located in the state. These payments
38.30 shall apply only to ethanol, anhydrous alcohol, and wet alcohol
38.31 fermented in the state and produced at plants that have begun
38.32 production by June 30, 2000. For the purpose of this
38.33 subdivision, an entity that holds a controlling interest in more
38.34 than one ethanol plant is considered a single producer. The
38.35 amount of the payment for each producer's annual production is:

38.36 (1) except as provided in paragraph (b), for each gallon of
39.1 ethanol or anhydrous alcohol produced on or before June 30,
39.2 2000, or ten years after the start of production, whichever is
39.3 later, 20 cents per gallon; and

39.4 (2) for each gallon produced of wet alcohol on or before
39.5 June 30, 2000, or ten years after the start of production,
39.6 whichever is later, a payment in cents per gallon calculated by
39.7 the formula "alcohol purity in percent divided by five," and
39.8 rounded to the nearest cent per gallon, but not less than 11
39.9 cents per gallon.

39.10 The producer payments for anhydrous alcohol and wet alcohol

39.11 under this section may be paid to either the original producer
39.12 of anhydrous alcohol or wet alcohol or the secondary processor,
39.13 at the option of the original producer, but not to both.

39.14 No payments shall be made for production that occurs after
39.15 June 30, 2010.

39.16 (b) If the level of production at an ethanol plant
39.17 increases due to an increase in the production capacity of the
39.18 plant ~~and the increased production begins by June 30, 2000~~, the
39.19 payment under paragraph (a), clause (1), applies to the
39.20 additional increment of production until ten years after the
39.21 increased production began. Once a plant's production capacity
39.22 reaches 15,000,000 gallons per year, no additional increment
39.23 will qualify for the payment.

39.24 (c) The commissioner shall make payments to producers of
39.25 ethanol or wet alcohol in the amount of 1.5 cents for each
39.26 kilowatt hour of electricity generated using closed-loop biomass
39.27 in a cogeneration facility at an ethanol plant located in the
39.28 state. Payments under this paragraph shall be made only for
39.29 electricity generated at cogeneration facilities that begin
39.30 operation by June 30, 2000. The payments apply to electricity
39.31 generated on or before the date ten years after the producer
39.32 first qualifies for payment under this paragraph. Total
39.33 payments under this paragraph in any fiscal year may not exceed
39.34 \$750,000. For the purposes of this paragraph:

39.35 (1) "closed-loop biomass" means any organic material from a
39.36 plant that is planted for the purpose of being used to generate
40.1 electricity or for multiple purposes that include being used to
40.2 generate electricity; and

40.3 (2) "cogeneration" means the combined generation of:

40.4 (i) electrical or mechanical power; and

40.5 (ii) steam or forms of useful energy, such as heat, that
40.6 are used for industrial, commercial, heating, or cooling
40.7 purposes.

40.8 (d) ~~Except for new production capacity approved under~~
40.9 ~~paragraph (i), clause (1), the total~~ Payments under paragraphs

40.10 (a) and (b) to all producers may not

40.11 exceed ~~\$34,000,000~~ \$37,000,000 in a fiscal year. Total payments

40.12 under paragraphs (a) and (b) to a producer in a fiscal year may
40.13 not exceed \$3,000,000.

40.14 (e) By the last day of October, January, April, and July,
40.15 each producer shall file a claim for payment for ethanol,
40.16 anhydrous alcohol, and wet alcohol production during the
40.17 preceding three calendar months. A producer with more than one
40.18 plant shall file a separate claim for each plant. ~~A producer~~
40.19 ~~shall file a separate claim for the original production capacity~~
40.20 ~~of each plant and for each additional increment of production~~
40.21 ~~that qualifies under paragraph (b).~~ A producer that files a
40.22 claim under this subdivision shall include a statement of the
40.23 producer's total ethanol, anhydrous alcohol, and wet alcohol
40.24 production in Minnesota during the quarter covered by the claim,
40.25 including anhydrous alcohol and wet alcohol produced or received
40.26 from an outside source. A producer shall file a separate claim
40.27 for any amount claimed under paragraph (c). For each claim and
40.28 statement of total ethanol, anhydrous alcohol, and wet alcohol
40.29 production filed under this subdivision, the volume of ethanol,
40.30 anhydrous alcohol, and wet alcohol production or amounts of
40.31 electricity generated using closed-loop biomass must be examined
40.32 by an independent certified public accountant in accordance with
40.33 standards established by the American Institute of Certified
40.34 Public Accountants.

40.35 (f) Payments shall be made November 15, February 15, May
40.36 15, and August 15. A separate payment shall be made for each
41.1 claim filed. Except as provided in paragraph (j), the total
41.2 quarterly payment to a producer under this paragraph, excluding
41.3 amounts paid under paragraph (c), may not exceed
41.4 \$750,000. ~~Except for new production capacity approved under~~
41.5 ~~paragraph (i), clause (1), if the total amount for which all~~
41.6 ~~other producers are eligible in a quarter under paragraphs (a)~~
41.7 ~~and (b) exceeds \$8,500,000, the commissioner shall make payments~~
41.8 ~~for production capacity that is subject to this restriction in~~
41.9 ~~the order in which the portion of production capacity covered by~~
41.10 ~~each claim went into production.~~

41.11 (g) If the total amount for which all producers are
41.12 eligible in a quarter under paragraph (c) exceeds the amount

41.13 available for payments, the commissioner shall make payments in
41.14 the order in which the plants covered by the claims began
41.15 generating electricity using closed-loop biomass.

41.16 (h) After July 1, 1997, new production capacity is only
41.17 eligible for payment under this subdivision if the commissioner
41.18 receives:

41.19 (1) an application for approval of the new production
41.20 capacity;

41.21 (2) an appropriate letter of long-term financial commitment
41.22 for construction of the new production capacity; and

41.23 (3) copies of all necessary permits for construction of the
41.24 new production capacity.

41.25 The commissioner may approve new production capacity based
41.26 on the order in which the applications are received.

41.27 ~~(i) After April 22, 1998, the commissioner may only~~
41.28 ~~approve: (1) up to 12,000,000 gallons of new production~~
41.29 ~~capacity at one plant that has not previously received approval~~
41.30 ~~or payment for any production capacity; or (2) new production~~
41.31 ~~capacity at existing plants not to exceed planned expansions~~
41.32 ~~reported to the commissioner by February 1997. The commissioner~~
41.33 ~~may not approve any new production capacity after July 1, 1998,~~
41.34 except that a producer with an approved production capacity of
41.35 at least 12,000,000 gallons per year but less than 15,000,000
41.36 gallons per year prior to July 1, 1998, is approved for
42.1 15,000,000 gallons of production capacity.

42.2 (j) Notwithstanding the quarterly payment limits of
42.3 paragraph (f), the commissioner shall make an additional payment
42.4 in the eighth quarter of each fiscal biennium to ethanol
42.5 producers for the lesser of: (1) 20 cents per gallon of
42.6 production in the eighth quarter of the biennium that is greater
42.7 than 3,750,000 gallons; or (2) the total amount of payments lost
42.8 during the first seven quarters of the biennium due to plant
42.9 outages, repair, or major maintenance. Total payments to an
42.10 ethanol producer in a fiscal biennium, including any payment
42.11 under this paragraph, must not exceed the total amount the
42.12 producer is eligible to receive based on the producer's approved
42.13 production capacity. The provisions of this paragraph apply

42.14 only to production losses that occur in quarters beginning after

42.15 December 31, 1999.

42.16 (k) For the purposes of this subdivision "new production

42.17 capacity" means annual ethanol production capacity that was not

42.18 allowed under a permit issued by the pollution control agency

42.19 prior to July 1, 1997, or for which construction did not begin

42.20 prior to July 1, 1997.

42.21 Sec. 12. Minnesota Statutes 1998, section 41B.03,

42.22 subdivision 1, is amended to read:

42.23 Subdivision 1. [ELIGIBILITY GENERALLY.] To be eligible for

42.24 a program in sections 41B.01 to 41B.23:

42.25 (1) a borrower must be a resident of Minnesota or a

42.26 domestic family farm corporation, as defined in section 500.24,

42.27 subdivision 2; and

42.28 (2) the borrower or one of the borrowers must be the

42.29 principal operator of the farm or, for a prospective homestead

42.30 redemption borrower, must have at one time been the principal

42.31 operator of a farm; and

42.32 ~~(3) the borrower must not receive assistance under sections~~

42.33 ~~41B.01 to 41B.23 exceeding an aggregate of \$100,000 in loans~~

42.34 ~~during the borrower's lifetime.~~

42.35 Sec. 13. Minnesota Statutes 1998, section 41B.03,

42.36 subdivision 2, is amended to read:

43.1 Subd. 2. [ELIGIBILITY FOR RESTRUCTURED LOAN.] In addition

43.2 to the eligibility requirements of subdivision 1, a prospective

43.3 borrower for a restructured loan must:

43.4 (1) have received at least 50 percent of average annual

43.5 gross income from farming for the past three years or, for

43.6 homesteaded property, received at least 40 percent of average

43.7 gross income from farming in the past three years, and farming

43.8 must be the principal occupation of the borrower;

43.9 (2) have a debt-to-asset ratio equal to or greater than 50

43.10 percent and in determining this ratio, the assets must be valued

43.11 at their current market value;

43.12 (3) have projected annual expenses, including operating

43.13 expenses, family living, and interest expenses after the

43.14 restructuring, that do not exceed 95 percent of the borrower's

43.15 projected annual income considering prior production history and
43.16 projected prices for farm production, except that the authority
43.17 may reduce the 95 percent requirement if it finds that other
43.18 significant factors in the loan application support the making
43.19 of the loan; and
43.20 (4) demonstrate substantial difficulty in meeting projected
43.21 annual expenses without restructuring the loan; and
43.22 (5) must have a total net worth, including assets and
43.23 liabilities of the borrower's spouse and dependents, of less
43.24 than \$400,000 in 1999 and an amount in subsequent years which is
43.25 adjusted for inflation by multiplying \$400,000 by the cumulative
43.26 inflation rate as determined by the United States All-Items
43.27 Consumer Price Index.

43.28 Sec. 14. Minnesota Statutes 1998, section 41B.039,
43.29 subdivision 2, is amended to read:
43.30 Subd. 2. [STATE PARTICIPATION.] The state may participate
43.31 in a new real estate loan with an eligible lender to a beginning
43.32 farmer to the extent of 45 percent of the principal amount of
43.33 the loan or ~~\$400,000~~ \$125,000, whichever is less. The interest
43.34 rates and repayment terms of the authority's participation
43.35 interest may be different than the interest rates and repayment
43.36 terms of the lender's retained portion of the loan.

44.1 Sec. 15. Minnesota Statutes 1998, section 41B.04,
44.2 subdivision 8, is amended to read:
44.3 Subd. 8. [STATE'S PARTICIPATION.] With respect to loans
44.4 that are eligible for restructuring under sections 41B.01 to
44.5 41B.23 and upon acceptance by the authority, the authority shall
44.6 enter into a participation agreement or other financial
44.7 arrangement whereby it shall participate in a restructured loan
44.8 to the extent of 45 percent of the primary principal or
44.9 ~~\$400,000~~ \$150,000, whichever is less. The authority's portion
44.10 of the loan must be protected during the authority's
44.11 participation by the first mortgage held by the eligible lender
44.12 to the extent of its participation in the loan.

44.13 Sec. 16. Minnesota Statutes 1998, section 41B.042,
44.14 subdivision 4, is amended to read:
44.15 Subd. 4. [PARTICIPATION LIMIT; INTEREST.] The authority

44.16 may participate in new seller-sponsored loans to the extent of
44.17 45 percent of the principal amount of the loan or
44.18 ~~\$100,000~~ \$125,000, whichever is less. The interest rates and
44.19 repayment terms of the authority's participation interest may be
44.20 different than the interest rates and repayment terms of the
44.21 seller's retained portion of the loan.

44.22 Sec. 17. Minnesota Statutes 1998, section 41B.043,
44.23 subdivision 2, is amended to read:

44.24 Subd. 2. [SPECIFICATIONS.] No direct loan may exceed
44.25 \$35,000 or ~~\$100,000~~ \$125,000 for a loan participation or be made
44.26 to refinance an existing debt. Each direct loan and
44.27 participation must be secured by a mortgage on real property and
44.28 such other security as the authority may require.

44.29 Sec. 18. Minnesota Statutes 1998, section 41B.045,
44.30 subdivision 2, is amended to read:

44.31 Subd. 2. [LOAN PARTICIPATION.] The authority may
44.32 participate in a livestock expansion loan with an eligible
44.33 lender to a livestock farmer who meets the requirements of
44.34 section 41B.03, subdivision 1, clauses (1) and (2), and who are
44.35 actively engaged in a livestock operation. A prospective
44.36 borrower must have a total net worth, including assets and
45.1 liabilities of the borrower's spouse and dependents, of less
45.2 than \$400,000 in 1999 and an amount in subsequent years which is
45.3 adjusted for inflation by multiplying \$400,000 by the cumulative
45.4 inflation rate as determined by the United States All-Items
45.5 Consumer Price Index.

45.6 Participation is limited to 45 percent of the principal
45.7 amount of the loan or \$250,000, whichever is less. The interest
45.8 rates and repayment terms of the authority's participation
45.9 interest may be different from the interest rates and repayment
45.10 terms of the lender's retained portion of the loan. Loans under
45.11 this program must not be included in the lifetime limitation
45.12 calculated under section 41B.03, subdivision 1.

45.13 Sec. 19. [41B.048] [AGROFORESTRY LOAN PROGRAM.]
45.14 Subdivision 1. [PURPOSE.] The purpose of the agroforestry
45.15 loan program is to provide low interest financing to farmers
45.16 during the growing period required to convert agricultural land

45.17 to agroforestry.

45.18 Subd. 2. [ESTABLISHMENT.] The authority shall establish
45.19 and implement an agroforestry loan program to help finance the
45.20 production of short rotation woody crops. The authority may
45.21 contract with a fiscal agent to provide an efficient delivery
45.22 system for this program.

45.23 Subd. 3. [RULES.] The authority may adopt rules necessary
45.24 for administration of the program established under subdivision
45.25 2.

45.26 Subd. 4. [DEFINITIONS.] (a) The definitions in this
45.27 subdivision apply to this section.

45.28 (b) "Fiscal agent" means any lending institution or other
45.29 organization of a for-profit or nonprofit nature that is in good
45.30 standing with the state of Minnesota that has the appropriate
45.31 business structure and trained personnel suitable to providing
45.32 efficient disbursement of loan funds and the servicing and
45.33 collection of loans over an extended period of time.

45.34 (c) "Growing cycle" means the number of years from planting
45.35 to harvest.

45.36 (d) "Harvest" means the day that the crop arrives at the
46.1 scale of the buyer of the crop.

46.2 (e) "Short rotation woody crops" or "crop" means hybrid
46.3 poplar and other woody plants that are harvested for their fiber
46.4 within 15 years of planting.

46.5 Subd. 5. [ELIGIBILITY.] To be eligible for this program a
46.6 borrower must:

46.7 (1) be a resident of Minnesota or any entity eligible to
46.8 own farm land under section 500.24;

46.9 (2) be or plan to become a grower of short rotation woody
46.10 crops on agricultural land that is suitable for the profitable
46.11 production of short rotation woody crops;

46.12 (3) be a member of a producer-owned cooperative that will
46.13 contract to market the short rotation woody crop to be planted
46.14 by the borrower;

46.15 (4) demonstrate an ability to repay the loan;

46.16 (5) not receive assistance under this program for more than
46.17 \$150,000 in the producer's lifetime;

46.18 (6) agree to work with appropriate local, state, and
46.19 federal agencies, and the marketing cooperative, to develop an
46.20 acceptable establishment and maintenance plan;
46.21 (7) agree not to plant short-rotation woody crops within
46.22 one-quarter of a mile of state or federally protected prairie;
46.23 and
46.24 (8) meet any other requirements the authority may impose by
46.25 administrative procedure or by rule.
46.26 Subd. 6. [LOANS.] (a) The authority may disburse loans
46.27 through a fiscal agent to farmers and agricultural landowners
46.28 who are eligible under subdivision 5. The total accumulative
46.29 loan principal must not exceed \$75,000 per loan.
46.30 (b) The fiscal agent may impose a loan origination fee in
46.31 the amount of one percent of the total approved loan. This fee
46.32 is to be paid by the borrower to the fiscal agent at the time of
46.33 loan closing.
46.34 (c) The loan may be disbursed over a period not to exceed
46.35 12 years.
46.36 (d) A borrower may receive loans, depending on the
47.1 availability of funds, for planted areas up to 160 acres for up
47.2 to:
47.3 (1) the total amount necessary for establishment of the
47.4 crop;
47.5 (2) the total amount of maintenance costs, including weed
47.6 control, during the first three years; and
47.7 (3) 70 percent of the estimated value of one year's growth
47.8 of the crop for years four through 12.
47.9 (e) Security for the loan must be the crop, a personal note
47.10 executed by the borrower, an interest in the land upon which the
47.11 crop is growing, and whatever other security is required by the
47.12 fiscal agent or the authority. All recording fees must be paid
47.13 by the borrower.
47.14 (f) The authority may prescribe forms and establish an
47.15 application process for applicants to apply for a loan.
47.16 (g) The authority may impose a reasonable nonrefundable
47.17 application fee for each application for a loan under this
47.18 program. The application fee is initially \$50. Application

47.19 fees received by the authority must be deposited in the
47.20 agroforestry loan program revolving fund established in
47.21 subdivision 7.
47.22 (h) Loans under the program must be made using money in the
47.23 agroforestry loan program revolving fund established in
47.24 subdivision 7.
47.25 (i) The interest payable on loans made by the authority for
47.26 the agroforestry loan program must, if funded by revenue bond
47.27 proceeds, be at a rate not less than the rate on the revenue
47.28 bonds, and may be established at a higher rate necessary to pay
47.29 costs associated with the issuance of the revenue bonds and a
47.30 proportionate share of the cost of administering the program.
47.31 The interest payable on loans for the agroforestry loan program
47.32 funded from sources other than revenue bond proceeds must be at
47.33 a rate determined by the authority.
47.34 (j) Loan principal balance outstanding plus all assessed
47.35 interest must be repaid within 120 days of harvest, but no later
47.36 than 15 years from planting.
48.1 Subd. 7. [REVOLVING FUND.] There is established in the
48.2 state treasury an agroforestry loan program revolving fund that
48.3 is eligible to receive appropriations or the proceeds of bond
48.4 sales. All repayments of financial assistance granted under
48.5 subdivision 2, including principal and interest, must be
48.6 deposited into this fund. Interest earned on money in the fund
48.7 accrues to the fund, and money in the fund is appropriated to
48.8 the commissioner for purposes of the agroforestry loan program,
48.9 including costs incurred by the authority to establish and
48.10 administer the program.
48.11 Subd. 8. [REVENUE BONDS.] The authority may issue revenue
48.12 bonds to finance the agroforestry loan program in accordance
48.13 with sections 41B.08 to 41B.15, 41B.17, and 41B.18. Bonds may
48.14 be refunded by the issuance of refunding bonds in the manner
48.15 authorized by chapter 475.
48.16 Sec. 20. [BIG BOG STATE RECREATION AREA.]
48.17 Subdivision 1. [85.013] [Subd. 2c.] [BIG BOG STATE
48.18 RECREATION AREA, BELTRAMI COUNTY.] Big Bog state recreation area
48.19 is established in Beltrami county.

48.20 Subd. 2. [PURPOSE.] The Big Bog state recreation area is
48.21 created to expand and diversify regional recreational
48.22 opportunities and to enrich the cultural, biological, and
48.23 historical opportunities for visitors to an area of the state
48.24 that has suffered severe economic distress. The Big Bog
48.25 recreational area will also enhance public appreciation and
48.26 provide for the long-term protection of a unique ecosystem.
48.27 Subd. 3. [BOUNDARIES.] The following described lands are
48.28 located within the boundaries of Big Bog state recreation area,
48.29 all in Beltrami county:
48.30 (1) Government Lots 1, 2, and 3 of Section 8, Township 154
48.31 North, Range 30 West, EXCEPT a tract in Government Lot 3
48.32 beginning 100 feet North of the South boundary of Government Lot
48.33 3 on the east right-of-way line of State Trunk Highway 72;
48.34 thence northerly 200 feet along said trunk highway; thence East
48.35 to the westerly right-of-way line of old Trunk Highway 72;
48.36 thence southerly 200 feet along said right-of-way line; thence
49.1 westerly to the point of beginning;
49.2 (2) all of Sections 25, 26, and 27; the east Half, the
49.3 Northwest Quarter, and the North Half of the Southwest Quarter
49.4 of Section 34; the North Half and the Southwest Quarter of
49.5 Section 35; the North Half, the East Half of the Southwest
49.6 Quarter, the Southwest Quarter of the Southwest Quarter, the
49.7 West Half of the Southeast Quarter, and the Southeast Quarter of
49.8 the Southeast Quarter of Section 36, all in Township 156 North,
49.9 Range 31 West; and
49.10 (3) all of Sections 1 and 2; the East Half of Section 3;
49.11 the East Half, the Southeast Quarter of the Northwest Quarter,
49.12 the East Half of the Southwest Quarter, and the Southwest
49.13 Quarter of the Southwest Quarter of Section 10; and all of
49.14 Sections 11, 12, 13, 14, and 15, all in Township 155 North,
49.15 Range 31 West.
49.16 Subd. 4. [ADMINISTRATION.] The commissioner of natural
49.17 resources shall administer the area according to Minnesota
49.18 Statutes, section 86A.05, subdivision 3, subject to existing
49.19 rules and regulations for state recreation areas.
49.20 Subd. 5. [CONTINUED LEASE OF LAND IN BIG BOG STATE

49.21 RECREATION AREA.] Notwithstanding Minnesota Statutes, sections
49.22 85.011, 85.013, 85.053, and 86A.05, the commissioner of natural
49.23 resources may continue to lease, upon the terms and conditions
49.24 as the commissioner may prescribe and in the form approved by
49.25 the attorney general, land within the Big Bog state recreation
49.26 area that is included in lease number 144-15-109 to Waskish
49.27 township.

49.28 Sec. 21. [RED RIVER STATE RECREATION AREA.]
49.29 Subdivision 1. [85.013] [Subd. 20a.] [RED RIVER STATE
49.30 RECREATION AREA, POLK COUNTY.] The Red River state recreation
49.31 area is established in Polk county.

49.32 Subd. 2. [BOUNDARIES.] The following described lands are
49.33 located within the boundaries of the Red River state recreation
49.34 area, all in Polk county:

49.35 (1) Lots 3 to 14 of Block 2 including streets and alleys
49.36 adjacent thereto in Riverside Addition;

50.1 (2) Block 1 including streets and alleys adjacent thereto
50.2 in Surprenant's Addition;

50.3 (3) Lots 1 to 24 including streets and alleys adjacent
50.4 thereto in Grigg's Addition;

50.5 (4) Lots 2, 4, 6, 8, 10, and 12 of Block 1, Block 3, Lots 1
50.6 to 10 of Block 4, and Lots 1 to 12 in Blocks A and B including
50.7 streets and alleys adjacent thereto in Grand Forks East;

50.8 (5) Lots 1 to 5 of Block 1 and Blocks 2 to 14 including
50.9 streets and alleys adjacent thereto in Lake Park Addition;

50.10 (6) Lots 1 to 7 and Lots 19 to 24 of Block 2 including
50.11 streets and alleys adjacent thereto in E.B. Frederick's
50.12 Addition;

50.13 (7) Lots 1 to 3 of Block 1 and Blocks 2, 3, and 4 including
50.14 streets and alleys adjacent thereto in Budge's First Addition;

50.15 (8) Lots 1 to 4 of Block 1 including streets and alleys
50.16 adjacent thereto in River Heights 1st Addition;

50.17 (9) Blocks 1 and 2 including streets and alleys adjacent
50.18 thereto in Thompson's Addition;

50.19 (10) Lots 1 to 12 of Block 1, Lots 4 to 12 of Block 2,
50.20 Block 3, and Lots 1 to 4 of Block 4 in Edwards Outlots and
50.21 Outlots 4 to 8 including streets and alleys adjacent thereto in

- 50.22 Auditor's Plat of Outlots;
- 50.23 (11) Auditor's Plat of Mrs. Hines' Outlot;
- 50.24 (12) Lots 6, 8, 10, 12, 14, 16, 18, 20, 22, and 24 of Block
- 50.25 3 and Lots 1 to 8 of Block 2 including streets and alleys
- 50.26 adjacent thereto in the Original Townsite of East Grand Forks;
- 50.27 (13) Blocks 1 to 8 including streets and alleys adjacent
- 50.28 thereto in Woodland Addition;
- 50.29 (14) Lots 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, and 23 of
- 50.30 Block 31 and Blocks 32 to 38 including streets and alleys
- 50.31 adjacent thereto in Traill's Addition;
- 50.32 (15) Blocks 2 to 16 including streets and alleys adjacent
- 50.33 thereto in Elm Grove;
- 50.34 (16) Block 1, Lots 1 to 11 of Block 2, and Lots 1 to 11 of
- 50.35 Block 3 including streets and alleys adjacent thereto in O'Leary
- 50.36 and Ryan's Addition to Elm Grove;
- 51.1 (17) Lots 6 to 10 of Block 1, Lots 8 to 35 of Block 2,
- 51.2 Blocks 3, 4, and 5 including streets and alleys adjacent thereto
- 51.3 in Folsom Park Addition;
- 51.4 (18) Lots 1 to 6 of Block 1 in Jerome's Addition;
- 51.5 (19) Lots 1 to 4 of Block 3 in Prestige Addition;
- 51.6 (20) Lots 1 to 14 of Block 1 in Riverview Addition;
- 51.7 (21) Lots 6 to 16 of Block 3 in Riverview 3rd Addition;
- 51.8 (22) Lots 1 to 4 of Block 1 in Riverview 4th Addition;
- 51.9 (23) Lots 1 and 2 of Block 1 in Riverview 5th Addition;
- 51.10 (24) Lots 1 to 9 of Block 1 and Outlot A in Riverview 6th
- 51.11 Addition;
- 51.12 (25) Lots 1 to 18 of Block 1 and Lots 1 to 5 of Block 2
- 51.13 including streets and alleys adjacent thereto in Timberline 2nd
- 51.14 Addition;
- 51.15 (26) Lots 14 to 16 of Block 1 including streets and alleys
- 51.16 adjacent thereto in Timberline Addition;
- 51.17 (27) Lots 19 and 20 including streets and alleys adjacent
- 51.18 thereto in Murphy's Outlots;
- 51.19 (28) Lots 1 to 10 of Block 1 including streets and alleys
- 51.20 thereto in Croy's 2nd Addition;
- 51.21 (29) Lots 1 to 6 of Block 1 including the streets and
- 51.22 alleys adjacent thereto in Point of Woods 2nd Addition;

51.23 (30) Lots 1 to 6 of Block 1 including the streets and
51.24 alleys adjacent thereto in Point of Woods Addition;
51.25 (31) the unplatted portions of Government Lots 1, 2, and 3
51.26 of Section 35, Township 152 North, Range 50 West;
51.27 (32) all of Government Lot 7, the unplatted portion of
51.28 Government Lot 9, and that part of Government Lots 6 and 8 and
51.29 the Southeast Quarter of the Southeast Quarter lying
51.30 southwesterly of the southwesterly right-of-way line of the
51.31 Burlington Northern and Santa Fe Railroad of Section 1, Township
51.32 151 North, Range 50 West;
51.33 (33) the unplatted portions of Government Lots 2, 3, 4, 5,
51.34 and 6 of Section 2, Township 151 North, Range 50 West;
51.35 (34) all of Government Lots 1 and 2 of Section 11, Township
51.36 151 North, Range 50 West;
52.1 (35) all of Government Lots 1, 7, and 11, the unplatted
52.2 portions of Government Lots 3, 5, 9, and 10, and the Northeast
52.3 Quarter of the Northwest Quarter of Section 12, Township 151
52.4 North, Range 50;
52.5 (36) all of Government Lots 1 and 2, the Southwest Quarter
52.6 of the Northwest Quarter, and the Northwest Quarter of the
52.7 Southwest Quarter of Section 13, Township 151 North, Range 50
52.8 West;
52.9 (37) all of Government Lots 1, 2, 3, and 4 of Section 14;
52.10 Township 151 North, Range 50 West;
52.11 (38) that part of Government Lot 7 lying southwesterly of
52.12 the southwesterly right-of-way line of the Burlington Northern
52.13 and Santa Fe Railroad of Section 6, Township 151 North, Range 49
52.14 West; and
52.15 (39) all of Government Lots 2, 6, 7, and 9, the Northwest
52.16 Quarter of the Northeast Quarter, the Northeast Quarter of the
52.17 Northeast Quarter, the unplatted portions of Government Lots 3
52.18 and 5, and that part of Government Lot 1 and the Northeast
52.19 Quarter of the Northwest Quarter lying southwesterly of the
52.20 southwesterly right-of-way line of the Burlington Northern and
52.21 Santa Fe Railroad of Section 7, Township 151 North, Range 49
52.22 West.
52.23 Subd. 3. [ADMINISTRATION.] The commissioner of natural

52.24 resources shall administer the area according to Minnesota
52.25 Statutes, section 86A.05, subdivision 3, subject to existing
52.26 rules and regulations for state recreation areas. The
52.27 commissioner shall appoint a citizens' oversight committee to
52.28 assist with developing and managing the area. The committee
52.29 shall serve without compensation and is exempt from Minnesota
52.30 Statutes, section 15.059.

52.31 Sec. 22. Minnesota Statutes 1998, section 85.015, is
52.32 amended by adding a subdivision to read:

52.33 Subd. 8a. [MILL TOWNS TRAIL.] (a) The trail shall
52.34 originate at a point commonly known as Faribault Junction in
52.35 Rice county, the termination point of the Sakatah Singing Hills
52.36 Trail, and shall extend through the towns of Faribault, Dundas,
53.1 Northfield, Waterford, and Randolph, to the termination point of
53.2 the Cannon Valley Trail in Cannon Falls. The trail may be
53.3 located within the Cannon river wild, scenic, and recreational
53.4 land use district.

53.5 (b) The trail shall be developed primarily for riding and
53.6 hiking. Motorized vehicles, except snowmobiles, are prohibited
53.7 from the trail.

53.8 Sec. 23. Minnesota Statutes 1998, section 85.34,
53.9 subdivision 1, is amended to read:

53.10 Subdivision 1. The commissioner of natural resources with
53.11 the approval of the Executive Council may lease for purposes of
53.12 restoration, preservation, historical, recreational,
53.13 educational, and commercial use and development, that portion of
53.14 Fort Snelling state park known as the upper bluff consisting of
53.15 officer's row and, area J, the polo grounds, the adjacent golf
53.16 course, and residential, storage and service all buildings and
53.17 improvements located thereon, all lying within an area bounded
53.18 by Minneapolis-St. Paul International Airport, trunk highway
53.19 highways numbered 5 and 55, Taylor avenue, Minnehaha avenue, and
53.20 Bloomington Road. The lease or leases shall be in a form
53.21 approved by the attorney general and for a term of not to exceed
53.22 99 years. The lease or leases may provide for the provision of
53.23 capital improvements or other performance by the tenant or
53.24 tenants in lieu of all or some of the payments of rent that

53.25 would otherwise be required.

53.26 Sec. 24. Minnesota Statutes 1998, section 85.34, is

53.27 amended by adding a subdivision to read:

53.28 Subd. 4. All receipts derived from the leasing or

53.29 operation of the property described in subdivision 1 shall be

53.30 deposited in the state treasury and be credited to the state

53.31 parks working capital account designated in section 85.22,

53.32 subdivision 1. Receipts and expenses from the leasing or

53.33 operation of the property described in subdivision 1 shall be

53.34 tracked separately within the account. Money in the account

53.35 derived from the leasing or operation of the property described

53.36 in subdivision 1 is annually appropriated for the payment of

54.1 expenses attributable to the leasing and operation of the

54.2 property described in subdivision 1, included but not limited to

54.3 the maintenance, repair, and rehabilitation of historic

54.4 buildings and landscapes. Any excess receipts in this account

54.5 are annually appropriated for historic preservation purposes

54.6 within state parks.

54.7 Sec. 25. Minnesota Statutes 1998, section 85.34, is

54.8 amended by adding a subdivision to read:

54.9 Subd. 5. The commissioner of natural resources may provide

54.10 an exception, in whole or in part, to the rules for use of state

54.11 parks and other recreational areas for property leased pursuant

54.12 to subdivision 1. The exception may be provided by

54.13 commissioner's order and shall be effective for the term of the

54.14 lease or such lesser period of time specified by the

54.15 commissioner.

54.16 Sec. 26. Minnesota Statutes 1998, section 97A.055,

54.17 subdivision 2, is amended to read:

54.18 Subd. 2. [RECEIPTS.] The state treasurer shall credit to

54.19 the game and fish fund all money received under the game and

54.20 fish laws including receipts from:

54.21 (1) licenses issued;

54.22 (2) fines and forfeited bail;

54.23 (3) sales of contraband, wild animals, and other property

54.24 under the control of the division;

54.25 (4) fees from advanced education courses for hunters and

54.26 trappers;

54.27 (5) reimbursements of expenditures by the division; and

54.28 (6) contributions to the division; and

54.29 (7) revenue credited to the game and fish fund under

54.30 section 297A.44, subdivision 1, paragraph (e), clause (1).

54.31 Sec. 27. Minnesota Statutes 1998, section 103E.011, is

54.32 amended by adding a subdivision to read:

54.33 Subd. 5. [USE OF EXTERNAL SOURCES OF

54.34 FUNDING.] Notwithstanding other provisions of this chapter, a

54.35 drainage authority may accept and use funds from sources other

54.36 than, or in addition to, those derived from assessments based on

55.1 the benefits of the drainage system for the purposes of wetland

55.2 preservation or restoration or creation of water quality

55.3 improvements or flood control. The sources of funding

55.4 authorized under this subdivision may also be used outside the

55.5 benefited area but must be within the watershed of the drainage

55.6 system.

55.7 Sec. 28. Minnesota Statutes 1999 Supplement, section

55.8 116.073, subdivision 1, is amended to read:

55.9 Subdivision 1. [AUTHORITY TO ISSUE.] (a) Pollution control

55.10 agency staff designated by the commissioner and department of

55.11 natural resources conservation officers may issue citations to a

55.12 person who:

55.13 (1) disposes of solid waste as defined in section 116.06,

55.14 subdivision 22, at a location not authorized by law for the

55.15 disposal of solid waste without permission of the owner of the

55.16 property;

55.17 (2) fails to report or recover ~~oil or hazardous substance~~

55.18 discharges as required under section 115.061; or

55.19 (3) fails to take discharge preventive or preparedness

55.20 measures required under chapter 115E.

55.21 (b) In addition, pollution control agency staff designated

55.22 by the commissioner may issue citations to owners and operators

55.23 of facilities dispensing petroleum products who violate sections

55.24 116.46 to 116.50 and Minnesota Rules, chapters 7150 and 7151 and

55.25 parts 7001.4200 to 7001.4300. ~~The citations for violation of~~

55.26 ~~sections 116.46 to 116.50 and Minnesota Rules, chapter 7150, may~~

55.27 ~~be issued only after the owners and operators have had a 90-day~~
55.28 ~~period to correct all the violations stated in a letter issued~~
55.29 ~~previously by pollution control agency staff.~~ A citation issued
55.30 under this subdivision must include a requirement that the
55.31 person cited remove and properly dispose of or otherwise manage
55.32 the waste or discharged oil or hazardous substance, reimburse
55.33 any government agency that has disposed of the waste or
55.34 discharged oil or hazardous substance and contaminated debris
55.35 for the reasonable costs of disposal, or correct any underground
55.36 storage tank violations.

56.1 (c) Until June 1, 2004, citations for violation of sections
56.2 115E.045 and 116.46 to 116.50 and Minnesota Rules, chapters 7150
56.3 and 7151, may be issued only after the owners and operators have
56.4 had a 90-day period to correct violations stated in writing by
56.5 pollution control agency staff, unless there is a discharge
56.6 associated with the violation or the violation is of Minnesota
56.7 Rules, part 7151.6400, subpart 1, item B, or 7151.6500.

56.8 Sec. 29. Minnesota Statutes 1998, section 297A.44,
56.9 subdivision 1, is amended to read:

56.10 Subdivision 1. (a) Except as provided in paragraphs (b) to
56.11 ~~(d)~~ (f), all revenues, including interest and penalties, derived
56.12 from the excise and use taxes imposed by sections 297A.01 to
56.13 297A.44 shall be deposited by the commissioner in the state
56.14 treasury and credited to the general fund.

56.15 (b) All excise and use taxes derived from sales and use of
56.16 property and services purchased for the construction and
56.17 operation of an agricultural resource project, from and after
56.18 the date on which a conditional commitment for a loan guaranty
56.19 for the project is made pursuant to section 41A.04, subdivision
56.20 3, shall be deposited in the Minnesota agricultural and economic
56.21 account in the special revenue fund. The commissioner of
56.22 finance shall certify to the commissioner the date on which the
56.23 project received the conditional commitment. The amount
56.24 deposited in the loan guaranty account shall be reduced by any
56.25 refunds and by the costs incurred by the department of revenue
56.26 to administer and enforce the assessment and collection of the
56.27 taxes.

56.28 (c) All revenues, including interest and penalties, derived
56.29 from the excise and use taxes imposed on sales and purchases
56.30 included in section 297A.01, subdivision 3, paragraphs (d) and
56.31 (k), clauses (1) and (2), must be deposited by the commissioner
56.32 in the state treasury, and credited as follows:

56.33 (1) first to the general obligation special tax bond debt
56.34 service account in each fiscal year the amount required by
56.35 section 16A.661, subdivision 3, paragraph (b); and
56.36 (2) after the requirements of clause (1) have been met, the
57.1 balance must be credited to the general fund.

57.2 (d) The revenues, including interest and penalties,
57.3 collected under section 297A.135, subdivision 5, shall be
57.4 deposited by the commissioner in the state treasury and credited
57.5 to the general fund. By July 15 of each year the commissioner
57.6 shall transfer to the highway user tax distribution fund an
57.7 amount equal to the excess fees collected under section
57.8 297A.135, subdivision 5, for the previous calendar year.

57.9 (e) For fiscal year 2001, 97 percent, and for fiscal year
57.10 2002 and thereafter, 87 percent of the revenues, including
57.11 interest and penalties, transmitted to the commissioner under
57.12 section 297A.259, must be deposited by the commissioner in the
57.13 state treasury as follows:

57.14 (1) 50 percent of the receipts must be deposited in the
57.15 heritage enhancement account in the game and fish fund, and may
57.16 be spent only on activities that improve, enhance, or protect
57.17 fish and wildlife resources, including conservation,
57.18 restoration, and enhancement of land, water, and other natural
57.19 resources of the state;

57.20 (2) 22.5 percent of the receipts must be deposited in the
57.21 natural resources fund, and may be spent only for state parks
57.22 and trails;

57.23 (3) 22.5 percent of the receipts must be deposited in the
57.24 natural resources fund, and may be spent only on metropolitan
57.25 park and trail grants;

57.26 (4) three percent of the receipts must be deposited in the
57.27 natural resources fund, and may be spent only on local trail
57.28 grants; and

57.29 (5) two percent of the receipts must be deposited in the
57.30 natural resources fund, and may be spent only for the Minnesota
57.31 zoological garden, the Como park zoo and conservatory, and the
57.32 Duluth zoo.

57.33 (f) The revenue dedicated under paragraph (e) may not be
57.34 used as a substitute for traditional sources of funding for the
57.35 purposes specified, but the dedicated revenue shall supplement
57.36 traditional sources of funding for those purposes. Land

58.1 acquired with money deposited in the game and fish fund under
58.2 paragraph (e) must be open to public hunting and fishing during
58.3 the open season. At least 87 percent of the money deposited in
58.4 the game and fish fund for improvement, enhancement, or
58.5 protection of fish and wildlife resources under paragraph (e)
58.6 must be allocated for field operations.

58.7 Sec. 30. Minnesota Statutes 1998, section 383B.235, is
58.8 amended by adding a subdivision to read:

58.9 Subd. 3. [EXISTING FACILITY MAY USE
58.10 CAPACITY.] Notwithstanding subdivisions 1 and 2, an existing
58.11 resource recovery facility may reclaim, burn, use, process, or
58.12 dispose of mixed municipal solid waste to the full extent of its
58.13 maximum yearly capacity as of January 1, 2000. The facility
58.14 must continue to comply with all federal and state environmental
58.15 laws and regulations and must obtain a conditional use permit
58.16 from the municipality where the facility is located.

58.17 Sec. 31. Laws 1998, chapter 389, article 16, section 31,
58.18 subdivision 2, as amended by Laws 1999, chapter 180, section 1,
58.19 is amended to read:

58.20 Subd. 2. [EXCHANGE OF COUNTY LAKESHORE LAND FOR LEASED
58.21 LAKESHORE LOTS.] (a) For the purposes of this section:

58.22 (1) "county land" includes, but is not limited to,
58.23 tax-forfeited land administered by any county;

58.24 (2) "leased lakeshore lots" means lands leased by the
58.25 state, including lots for which leases have been canceled,
58.26 pursuant to Minnesota Statutes, section 92.46, subdivision 1;
58.27 and

58.28 (3) "plan for exchange" means a listing of parcels proposed
58.29 for exchange with legal descriptions, county estimates of

58.30 values, and maps and acreage for each parcel. By July 1, 1999,
58.31 counties shall include exchange plans for all lakeshore lease
58.32 lots that are in substantial compliance with official controls.
58.33 The plan shall also include a timeline that provides for the
58.34 completion of the exchange of all remaining lakeshore lease lots
58.35 by December 31, 2000.

58.36 (b) By July 1, 1999, a county board with leased lakeshore
59.1 lots must petition the land exchange board with a plan for an
59.2 exchange of county land for leased lakeshore lots in the county
59.3 that are not listed by the commissioner pursuant to subdivision
59.4 1. Notwithstanding Minnesota Statutes, section 94.342, the land
59.5 proposed for the exchange must be land bordering on or adjacent
59.6 to meandered or other public waters. A county board proposing
59.7 an exchange under this section may include tax-forfeited land
59.8 administered by another county in the proposal with the consent
59.9 of that county board.

59.10 (c) In determining the value of the leased lakeshore lots
59.11 for purposes of the exchange, the land exchange board must
59.12 review an appraisal of each lot prepared by an appraiser
59.13 licensed by the commissioner of commerce. The selection of the
59.14 appraiser must be agreed to by the commissioner of natural
59.15 resources and the county board of the county containing the
59.16 leased lakeshore lot. The commissioner of natural resources
59.17 must pay the costs of appraisal and may recover these costs as
59.18 provided in this section. The commissioner must submit
59.19 appraisals under this paragraph to the land exchange board by
59.20 June 1, 1999.

59.21 (d) The land exchange board must determine whether the land
59.22 offered for exchange by a county under this section is lakeshore
59.23 of substantially equal value to the leased lakeshore lots
59.24 included in the county's petition. In making this
59.25 determination, the land exchange board must review an appraisal
59.26 of the land offered for exchange prepared by an appraiser
59.27 licensed by the commissioner of commerce. The selection of the
59.28 appraiser must be agreed to by the commissioner of natural
59.29 resources and the county board of the county containing the
59.30 leased lakeshore lots. The county must pay the costs of this

59.31 appraisal and may recover those costs as provided in this
59.32 section.

59.33 (e) Before the proposed exchange may be submitted to the
59.34 land exchange board, the commissioner of natural resources must
59.35 ensure that, whenever possible, state lands are added to the
59.36 leased lakeshore lots when necessary to provide conformance with
60.1 zoning official controls. The lands added to the leased
60.2 lakeshore lots must be included in the appraised value of the
60.3 lots. If the commissioner is unable to add the necessary land
60.4 to a lot, the lot shall be treated as if purchased at the time
60.5 the state first leased the site, for the purposes of local
60.6 zoning and other ordinances at the time of sale of the lot by
60.7 the county.

60.8 (f) Additional state or county lands, including state
60.9 riparian land leased for a commercial use, may be added to the
60.10 exchanges if mutually agreed upon by the commissioner and the
60.11 affected county board to meet county zoning standards or other
60.12 regulatory needs for the lots, for use of the land by the county
60.13 or state, or to avoid leaving unmanageable parcels of land in
60.14 state or county ownership after an exchange, or to dispose of
60.15 state commercial riparian leases. The additional county land
60.16 may include nonriparian land, if the land is adjacent to county
60.17 land exchanged under this section and is beneficial to or
60.18 enhances the value of the school trust land. Notwithstanding
60.19 Minnesota Statutes, chapter 282, or any other law to the
60.20 contrary, a county board may sell all or part of any additional
60.21 land to an owner of a lakeshore lot sold by the county under
60.22 this section, or sold by the state at a lakeshore lot sale, or
60.23 to the lessee of a commercial lease.

60.24 (g) In the event that commercial leased state land is
60.25 proposed for exchange, the state and county must submit to the
60.26 land exchange board prior to exchanges, without regard to the
60.27 dates provided in this section, the reports, appraisals, and
60.28 plan for exchange required by this section. The county is not
60.29 required to sell the commercially leased lands it receives from
60.30 the state within the times stated in this section.

60.31 (h) The land exchange board must determine whether the lots

60.32 are of substantially equal value and may approve the exchange,
60.33 notwithstanding the requirements of Minnesota Statutes, sections
60.34 94.342 to 94.347, relating to the approval process. If the
60.35 board approves the exchange, the commissioner must exchange the
60.36 leased lakeshore lots for the county lands, together with any
61.1 additional state land provided for under this section, subject
61.2 to the requirements of the Minnesota Constitution, article XI,
61.3 section 10, relating to the reservation of mineral and water
61.4 power rights.

61.5 (i) The deeds between the state and counties for land
61.6 exchanges under this section are exempt from the deed tax
61.7 imposed by Minnesota Statutes, section 287.21.

61.8 (j) The deeds issued by the state and counties for the land
61.9 exchanges and sales to a lessee made pursuant to this section
61.10 are exempt from the requirements imposed for well disclosure by
61.11 Minnesota Statutes, section 103I.235, well sealing by Minnesota
61.12 Statutes, section 103I.311, and individual sewage treatment
61.13 system disclosure by Minnesota Statutes, section 115.55,
61.14 subdivision 6.

61.15 Sec. 32. Laws 1998, chapter 404, section 7, subdivision
61.16 23, as amended by Laws 1999, chapter 231, section 194, and Laws
61.17 1999, chapter 240, article 1, section 20, is amended to read:

61.18 Subd. 23. Metro Regional Trails 5,000,000

61.19 For grants to the metropolitan council
61.20 for acquisition and development of a
61.21 capital nature of trail connections in
61.22 the metropolitan area as specified in
61.23 this subdivision. The purpose of the
61.24 grants is to improve trails in the
61.25 metropolitan park and open space system
61.26 and connect them with existing state
61.27 and regional trails. Priority shall be
61.28 given to matching funds for an ISTE A
61.29 grant.

61.30 The funds shall be allocated by the
61.31 council as follows:

61.32 (1) \$1,050,000 is allocated to Ramsey

61.33 county as follows:

61.34 (i) \$400,000 to complete six miles of
61.35 trails between the Burlington Northern
61.36 Regional Trail and Bald Eagle-Otter
61.37 Lake Regional Park;
61.38 (ii) \$150,000 to complete a one-mile
61.39 connection between Birch Lake and the
61.40 Lake Tamarack segment of Bald
61.41 Eagle-Otter Lake Regional Park;
61.42 (iii) \$500,000 to acquire real property
61.43 and design and construct or renovate
61.44 recreation facilities along the
61.45 Mississippi River in cooperation with
61.46 the city of St. Paul;
61.47 (2) \$1,050,000 is allocated to the city
62.1 of St. Paul as follows:

62.2 (i) \$250,000 to construct a bridge over
62.3 Lexington Parkway in Como Regional
62.4 Park; and
62.5 (ii) \$800,000 to enhance amenities for
62.6 the trailhead at the Lilydale-Harriet
62.7 Island Regional Park pavilion;
62.8 (3) \$1,400,000 is allocated to Anoka
62.9 county to construct:

62.10 (i) a pedestrian tunnel under Highway
62.11 65 on the Rice Creek West Regional
62.12 Trail in the city of Fridley; and
62.13 (ii) restrooms, trailhead, signs, and
62.14 amenities at the trailhead to the Rice
62.15 Creek West Regional Trail; and
62.16 (iii) a pedestrian bridge on the
62.17 Mississippi River Regional Trail
62.18 crossing over Mississippi Street in the
62.19 city of Fridley; and
62.20 (4) \$1,500,000 is allocated to the
62.21 suburban Hennepin regional park
62.22 district as follows:

62.23 (i) \$1,000,000 to connect North
 62.24 Hennepin Regional Trail to Luce Line
 62.25 State Trail and Medicine Lake; and
 62.26 (ii) \$500,000 is for the cost of
 62.27 development and acquisition of the
 62.28 Southwest regional trail in the city of
 62.29 St. Louis Park. The trail must connect
 62.30 the Minneapolis regional trail system
 62.31 at Cedar Lake park to the Hennepin
 62.32 parks regional trail system at the
 62.33 Hopkins trail head.
 62.34 Sec. 33. Laws 1999, chapter 231, section 2, subdivision 2,
 62.35 is amended to read:
 62.36 Subd. 2. Protection of the Water
 62.37 15,984,000 16,008,000
 62.38 Summary by Fund
 62.39 General 13,074,000 ~~13,283,000~~ 12,983,000
 62.40 State Government
 62.41 Special Revenue 44,000 45,000
 62.42 Environmental 2,616,000 ~~2,680,000~~ 2,980,000
 62.43 Petroleum tank 250,000 -0-
 62.44 \$2,348,000 the first year and
 62.45 \$2,348,000 the second year are for
 62.46 grants to local units of government for
 62.47 the clean water partnership program.
 62.48 The amount of this appropriation above
 62.49 the base is for Phase II implementation
 62.50 projects. Any unencumbered balance
 62.51 remaining in the first year does not
 62.52 cancel and is available for the second
 63.1 year of the biennium.
 63.2 \$1,470,000 the first year and
 63.3 \$1,841,000 the second year are for
 63.4 grants for county administration of the
 63.5 feedlot permit program. These amounts
 63.6 are transferred to the board of water
 63.7 and soil resources for disbursement in

63.8 accordance with Minnesota Statutes,
63.9 section 103B.3369, in cooperation with
63.10 the pollution control agency. Grants
63.11 must be matched with a combination of
63.12 local cash and/or in-kind
63.13 contributions. Counties receiving
63.14 these grants shall submit an annual
63.15 report to the pollution control agency
63.16 regarding activities conducted under
63.17 the grant, expenditures made, and local
63.18 match contributions. First priority
63.19 for funding shall be given to counties
63.20 that have requested and received
63.21 delegation from the pollution control
63.22 agency for processing of animal feedlot
63.23 permit applications under Minnesota
63.24 Statutes, section 116.07, subdivision
63.25 7. Delegated counties shall be
63.26 eligible to receive a grant of either:
63.27 \$50 multiplied by the number of
63.28 livestock or poultry farms with sales
63.29 greater than \$10,000, as reported in
63.30 the 1997 Census of Agriculture,
63.31 published by the United States Bureau
63.32 of Census; or \$80 multiplied by the
63.33 number of feedlots with greater than
63.34 ten animal units as determined by a
63.35 level 2 or level 3 feedlot inventory
63.36 conducted in accordance with the
63.37 Feedlot Inventory Guidebook published
63.38 by the board of water and soil
63.39 resources, dated June 1991. To receive
63.40 the additional funding that is based on
63.41 the county feedlot inventory, the
63.42 county shall submit a copy of the
63.43 inventory to the pollution control
63.44 agency. Any remaining money is for

63.45 distribution to all counties on a
63.46 competitive basis through the challenge
63.47 grant process for the conducting of
63.48 feedlot inventories, development of
63.49 delegated county feedlot programs, and
63.50 for information and education or
63.51 technical assistance efforts to reduce
63.52 feedlot-related pollution hazards. Any
63.53 money remaining after the first year is
63.54 available for the second year.
63.55 \$94,000 the first year and \$97,000 the
63.56 second year are for compliance
63.57 activities and air quality monitoring
63.58 to address hydrogen sulfide emissions
63.59 from animal feedlots. The air quality
63.60 monitoring must include the use of
63.61 portable survey instruments.
63.62 \$1,043,000 the first year and
63.63 \$1,048,000 the second year are for
63.64 water monitoring activities.
63.65 \$320,000 the first year and \$322,000
63.66 the second year are for community
63.67 technical assistance and education,
64.1 including grants and technical
64.2 assistance to communities for local and
64.3 basin-wide water quality protection.
64.4 \$201,000 the first year and \$202,000
64.5 the second year are for individual
64.6 sewage treatment system (ISTS)
64.7 administration. Of this amount, \$86,000
64.8 in each year is transferred to the
64.9 board of water and soil resources for
64.10 assistance to local units of government
64.11 through competitive grant programs for
64.12 ISTS program development.
64.13 \$200,000 in each year is for individual
64.14 sewage treatment system grants. Any

64.15 unexpended balance in the first year
64.16 does not cancel, but is available in
64.17 the second year.
64.18 \$250,000 the first year and \$500,000
64.19 the second year are for studies to
64.20 determine total maximum daily load
64.21 allocations to improve water quality.
64.22 \$300,000 each the first year is from
64.23 the general fund and \$300,000 the
64.24 second year from the environmental fund
64.25 are for continuing research on
64.26 malformed frogs. This is a one-time
64.27 appropriation.
64.28 \$126,000 is for administration of the
64.29 wastewater infrastructure fund (WIF)
64.30 construction program. This is a
64.31 one-time appropriation.
64.32 \$250,000 the first year,
64.33 notwithstanding Minnesota Statutes,
64.34 section 115C.08, subdivision 4, is from
64.35 the petroleum tank release fund for the
64.36 following purposes: (1) to purchase
64.37 and distribute emergency spill response
64.38 equipment, such as spill containment
64.39 booms, sorbent pads, and installation
64.40 tools, along the Mississippi river
64.41 upstream of drinking water intakes at
64.42 the locations designated by the agency
64.43 in consultation with the Mississippi
64.44 River Defense Network; (2) to purchase
64.45 mobile trailers to contain the
64.46 equipment in clause (1) so that rapid
64.47 deployment can occur; and (3) to
64.48 conduct spill response training for
64.49 those groups of responders receiving
64.50 the spill response equipment described
64.51 in clause (1). The agency shall

64.52 develop and administer protocol for the
64.53 use of the equipment among all
64.54 potential users, including private
64.55 contract firms, public response
64.56 agencies, and units of government. Any
64.57 money remaining after the first year is
64.58 available for the second year. This is
64.59 a one-time appropriation.

64.60 \$100,000 for the biennium is for a
64.61 grant to the city of Garrison for the
64.62 Garrison, Kathio, West Mille Lacs Lake
64.63 Sanitary District for the cost of

64.64 environmental studies, planning, and
65.1 legal assistance for sewage treatment
65.2 purposes. This is a one-time
65.3 appropriation.

65.4 Until July 1, 2001, the agency shall
65.5 not approve additional fees on animal
65.6 feedlot operations.

65.7 Sec. 34. Laws 1999, chapter 231, section 6, as amended by
65.8 Laws 1999, chapter 249, section 10, is amended to read:

65.9 Sec. 6. BOARD OF WATER AND

65.10 SOIL RESOURCES	18,896,000	18,228,000
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65.11 \$5,480,000 the first year and
65.12 \$5,480,000 the second year are for
65.13 natural resources block grants to local
65.14 governments. Of this amount, \$50,000
65.15 each year is for a grant to the North
65.16 Shore Management Board, \$35,000 each
65.17 year is for a grant to the St. Louis
65.18 River Board, \$100,000 each year is for
65.19 a grant to the Minnesota River Basin
65.20 Joint Powers Board, and \$27,000 each
65.21 year is for a grant to the Southeast
65.22 Minnesota Resources Board.
65.23 The board shall reduce the amount of
65.24 the natural resource block grant to a

65.25 county by an amount equal to any
65.26 reduction in the county's general
65.27 services allocation to a soil and water
65.28 conservation district from the county's
65.29 1998 allocation.
65.30 Grants must be matched with a
65.31 combination of local cash or in-kind
65.32 contributions. The base grant portion
65.33 related to water planning must be
65.34 matched by an amount that would be
65.35 raised by a levy under Minnesota
65.36 Statutes, section 103B.3369.
65.37 \$3,867,000 the first year and
65.38 \$3,867,000 the second year are for
65.39 grants to soil and water conservation
65.40 districts for general purposes,
65.41 nonpoint engineering, and for
65.42 implementation of the RIM conservation
65.43 reserve program. Upon approval of the
65.44 board, expenditures may be made from
65.45 these appropriations for supplies and
65.46 services benefiting soil and water
65.47 conservation districts.
65.48 \$4,120,000 the first year and
65.49 \$4,120,000 the second year are for
65.50 grants to soil and water conservation
65.51 districts for cost-sharing contracts
65.52 for erosion control and water quality
65.53 management. Of this amount, \$32,000
65.54 the first year is and up to \$90,000 the
65.55 second year are for a grant grants to
65.56 the Blue Earth county soil and water
65.57 conservation districts for stream bank
65.58 stabilization on the LeSueur river
65.59 within the city limits of St. Clair;
65.60 and at least \$1,500,000 the first year
65.61 and \$1,500,000 the second year are for

65.62 state cost-share grants for
66.1 ~~cost-sharing contracts for water~~
66.2 ~~quality management on feedlots.~~
66.3 ~~Priority must be given to feedlot~~
66.4 ~~operators who have received notices of~~
66.5 ~~violation and for feedlots in counties~~
66.6 ~~that are conducting or have completed a~~
66.7 ~~level 2 or level 3 feedlot inventory.~~
66.8 This appropriation is available until
66.9 expended. If the appropriation in
66.10 either year is insufficient, the
66.11 appropriation in the other year is
66.12 available for it.
66.13 \$100,000 the first year and \$100,000
66.14 the second year are for a grant to the
66.15 Red river basin board to develop a Red
66.16 river basin water management plan and
66.17 to coordinate water management
66.18 activities in the states and provinces
66.19 bordering the Red river. This
66.20 appropriation is only available to the
66.21 extent it is matched by a proportionate
66.22 amount in United States currency from
66.23 the states of North Dakota and South
66.24 Dakota and the province of Manitoba.
66.25 The unencumbered balance in the first
66.26 year does not cancel but is available
66.27 for the second year. This is a
66.28 one-time appropriation.
66.29 \$189,000 the first year and \$189,000
66.30 the second year are for grants to
66.31 watershed districts and other local
66.32 units of government in the southern
66.33 Minnesota river basin study area 2 for
66.34 floodplain management. If the
66.35 appropriation in either year is
66.36 insufficient, the appropriation in the

66.37 other year is available for it.
66.38 \$1,203,000 the first year and \$450,000
66.39 the second year are for the
66.40 administrative costs of easement and
66.41 grant programs.
66.42 Any unencumbered balance in the board's
66.43 program of grants does not cancel at
66.44 the end of the first year and is
66.45 available for the second year for the
66.46 same grant program. If the
66.47 appropriation in either year is
66.48 insufficient, the appropriation for the
66.49 other year is available for it.
66.50 Sec. 35. Laws 1999, chapter 231, section 11, subdivision
66.51 3, is amended to read:
66.52 Subd. 3. Agricultural Marketing and Development
66.53 6,521,000 5,410,000
66.54 Notwithstanding Minnesota Statutes,
66.55 section 41A.09, subdivision 3a, the
66.56 total payments from the ethanol
66.57 development account to all producers
66.58 may not exceed ~~\$68,447,000~~ \$72,106,000
66.59 for the biennium ending June 30, 2001.
66.60 If, prior to the end of the biennium,
66.61 the total amount for which all
66.62 producers are eligible ~~in a quarter~~
67.1 exceeds the amount ~~available for~~
67.2 payments remaining in the
67.3 appropriation, the commissioner shall
67.4 make the payments for the quarter in
67.5 which the shortfall occurs on a pro
67.6 rata basis. In fiscal year 2000, the
67.7 commissioner shall first reimburse
67.8 producers for eligible unpaid claims
67.9 accumulated through June 30, 1999.
67.10 \$500,000 the first year is appropriated
67.11 to the rural finance authority for

67.12 making a loan under Minnesota Statutes,
67.13 section 41B.044. Principal and
67.14 interest payments on the loan must be
67.15 deposited in the ~~ethanol development~~
67.16 ~~account for producer payments under~~
67.17 ~~Minnesota Statutes, section~~
67.18 ~~41B.09~~ general fund.
67.19 By July 15, 1999, the commissioner
67.20 shall transfer the unencumbered cash
67.21 balance in the ethanol development fund
67.22 established in Minnesota Statutes,
67.23 section 41B.044, to the general fund.
67.24 \$200,000 the first year is for a grant
67.25 from the commissioner to the Minnesota
67.26 Turkey Growers Association for
67.27 assistance to an entity that constructs
67.28 a facility that uses poultry litter as
67.29 a fuel for the generation of
67.30 electricity. This amount must be
67.31 matched by \$1 of nonstate money for
67.32 each dollar of state money. This is a
67.33 one-time appropriation.
67.34 \$50,000 the first year is for the
67.35 commissioner, in consultation with the
67.36 commissioner of economic development,
67.37 to conduct a study of the need for a
67.38 commercial shipping port at which
67.39 agricultural cooperatives or individual
67.40 farmers would have access to port
67.41 facilities. This is a one-time
67.42 appropriation.
67.43 \$71,000 the first year and \$71,000 the
67.44 second year are for transfer to the
67.45 Minnesota grown matching account and
67.46 may be used as grants for Minnesota
67.47 grown promotion under Minnesota
67.48 Statutes, section 17.109.

67.49 \$100,000 the first year is for a grant
67.50 to the University of Minnesota
67.51 extension service for its farm safety
67.52 and health program. This is a one-time
67.53 appropriation.
67.54 \$225,000 the first year and \$75,000 the
67.55 second year are for grants to the
67.56 Minnesota agricultural education
67.57 leadership council for the planning and
67.58 implementation of initiatives enhancing
67.59 and expanding agricultural education in
67.60 rural and urban areas of the state.
67.61 Funds not used in the first year are
67.62 available for the second year. This is
67.63 a one-time appropriation.
68.1 \$480,000 the first year and \$420,000
68.2 the second year are to the commissioner
68.3 of agriculture for programs to
68.4 aggressively promote, develop, expand,
68.5 and enhance the marketing of
68.6 agricultural products from Minnesota
68.7 producers and processors. The
68.8 commissioner must enter into
68.9 collaborative efforts with the
68.10 department of trade and economic
68.11 development, the world trade center
68.12 corporation, and other public or
68.13 private entities knowledgeable in
68.14 market identification and development.
68.15 The commissioner may also contract with
68.16 or make grants to public or private
68.17 organizations involved in efforts to
68.18 enhance communication between producers
68.19 and markets and organizations that
68.20 identify, develop, and promote the
68.21 marketing of Minnesota agricultural
68.22 crops, livestock, and produce in local,

68.23 regional, national, and international
68.24 marketplaces. Grants may be provided
68.25 to appropriate organizations including
68.26 those functioning as marketing clubs,
68.27 to a cooperative known as Minnesota
68.28 Marketplace, and to recognized
68.29 associations of producers or processors
68.30 of organic foods or Minnesota grown
68.31 specialty crops. Beginning October 15,
68.32 1999, and 15 days after the close of
68.33 each calendar quarter thereafter, the
68.34 commissioner shall provide to the
68.35 senate and house committees with
68.36 jurisdiction over agriculture policy
68.37 and funding interim reports of the
68.38 progress toward accomplishing the goals
68.39 of this item. The commissioner shall
68.40 deliver a final report on March 1,
68.41 2001. If the appropriation for either
68.42 year is insufficient, the appropriation
68.43 for the other year is available. This
68.44 is a one-time appropriation that
68.45 remains available until expended.
68.46 \$60,000 the second year is for grants
68.47 to farmers for demonstration projects
68.48 involving sustainable agriculture. If
68.49 a project cost is more than \$25,000,
68.50 the amount above \$25,000 must be
68.51 matched at the rate of one state dollar
68.52 for each dollar of nonstate money.
68.53 Priorities must be given for projects
68.54 involving multiple parties. Up to
68.55 \$20,000 each year may be used for
68.56 dissemination of information about the
68.57 demonstration grant projects. If the
68.58 appropriation for either year is
68.59 insufficient, the appropriation for the

68.60 other is available.
 68.61 \$160,000 each year is for value-added
 68.62 agricultural product processing and
 68.63 marketing grants under Minnesota
 68.64 Statutes, section 17.101, subdivision 5.
 68.65 \$450,000 the first year and \$300,000
 68.66 the second year are for continued
 68.67 research of solutions and alternatives
 68.68 for manure management and odor
 69.1 control. This is a one-time
 69.2 appropriation.
 69.3 \$50,000 the first year and \$50,000 the
 69.4 second year are for annual cost-share
 69.5 payments to resident farmers for the
 69.6 costs of organic certification. The
 69.7 annual cost-share payments per farmer
 69.8 shall be two-thirds of the cost of the
 69.9 certification or \$200, whichever is
 69.10 less. A certified farmer is eligible
 69.11 to receive annual certification
 69.12 cost-share payments for up to five
 69.13 years. \$15,000 each year is for
 69.14 organic market and program
 69.15 development. This appropriation is
 69.16 available until expended.
 69.17 \$30,000 the first year is to assess
 69.18 producer production contracts under
 69.19 section 205. This appropriation is
 69.20 available until June 30, 2001.
 69.21 Sec. 36. Laws 1999, chapter 231, section 14, is amended to
 69.22 read:

69.23 Sec. 14. AGRICULTURAL UTILIZATION

69.24 RESEARCH INSTITUTE	3,830,000	4,330,000
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69.25 Summary by Fund

69.26 General	3,630,000	4,130,000
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69.27 <u>Special Revenue Agricultural</u>	200,000	200,000
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69.28 The agricultural utilization research

69.29 institute must collaborate with the
69.30 commissioner of agriculture on issues
69.31 of market development and technology
69.32 transfer.
69.33 \$200,000 the first year and \$200,000
69.34 the second year are for hybrid tree
69.35 management research and development of
69.36 an implementation plan for establishing
69.37 hybrid tree plantations in the state.
69.38 This appropriation is available to the
69.39 extent matched by \$2 of nonstate
69.40 contributions, either cash or in kind,
69.41 for each \$1 of state money.
69.42 Sec. 37. [AGRICULTURAL STORAGE TANK REMOVAL;
69.43 REIMBURSEMENT.]
69.44 Subdivision 1. [DEFINITION.] As used in this section,
69.45 "agricultural storage tank" means an underground petroleum
69.46 storage tank with a capacity of more than 1,100 gallons that has
69.47 been registered with the pollution control agency by January 1,
69.48 2000, and is located on a farm where the contents of the tank
69.49 are used by the tank owner or operator predominantly for farming
69.50 purposes and are not commercially distributed.
69.51 Subd. 2. [REIMBURSEMENT.] Notwithstanding Minnesota
70.1 Statutes, section 115C.09, subdivision 1, paragraph (b), clause
70.2 (1), and pursuant to the remaining provisions of Minnesota
70.3 Statutes, chapter 115C, the petroleum tank release compensation
70.4 board shall reimburse an owner or operator of an agricultural
70.5 storage tank for 90 percent of the total reimbursable cost of
70.6 removal project costs incurred for the tank prior to January 1,
70.7 2001, including, but not limited to, tank removal, closure in
70.8 place, backfill, resurfacing, and utility restoration costs,
70.9 regardless of whether a release has occurred at the site.
70.10 Notwithstanding Minnesota Statutes, section 115C.09, subdivision
70.11 3, the board may not reimburse an eligible applicant under this
70.12 section for more than \$7,500 of costs per tank.
70.13 Sec. 38. [SMALL GASOLINE STORAGE TANK REMOVAL;
70.14 REIMBURSEMENT.]

70.15 Until June 30, 2001, the petroleum tank release
70.16 compensation board may reimburse a tank owner from the petroleum
70.17 tank release cleanup fund for 95 percent of the costs identified
70.18 in Minnesota Statutes 1998, section 115C.09, subdivision 3f,
70.19 paragraph (c), if the tank owner:
70.20 (1) owned two locations in the state, and no locations in
70.21 any other state, where motor fuel was dispensed to the public
70.22 into motor vehicles, watercraft, or aircraft and dispensed motor
70.23 fuel at that location;
70.24 (2) operated the tanks simultaneously for six months or
70.25 less in 1995; and
70.26 (3) dispensed less than 200,000 gallons at both locations.
70.27 Sec. 39. [MINNEAPOLIS LEASE.]
70.28 A lease to the Minneapolis park and recreation board
70.29 entered into prior to or after the effective date of this
70.30 section pursuant to Laws 1999, chapter 231, section 5,
70.31 subdivision 5, shall be subject to Minnesota Statutes, section
70.32 85.34, except as provided in this section. The approval of the
70.33 executive council shall not be required for the lease or the
70.34 issuance of a liquor license. Only the operating costs, as
70.35 defined in the lease, to be paid by the Minneapolis park and
70.36 recreation board to the state shall be credited to the state
71.1 parks working capital account. All base rent and percentage of
71.2 gross sales to be paid by the Minneapolis park and recreation
71.3 board to the state shall be credited to the general fund. A
71.4 lease of any portion of officer's row or area J may include a
71.5 charge to be paid by the tenant for repayment of a portion of
71.6 the costs incurred by the Minneapolis park and recreation board
71.7 for the installation of a new water line on the upper bluff.
71.8 The total amount to be repaid to the Minneapolis park and
71.9 recreation board by tenants of officer's row and area J shall
71.10 not exceed \$450,000.
71.11 Sec. 40. [DEFINITIONS.]
71.12 Subdivision 1. [APPLICABILITY.] For the purposes of
71.13 sections 40 to 43, the terms in this section have the meanings
71.14 given.
71.15 Subd. 2. [AGRICULTURAL LAND.] "Agricultural land" means

71.16 land that is:

71.17 (1) composed of class I, II, or III land as identified in

71.18 the land capability classification system of the United States

71.19 Department of Agriculture; or

71.20 (2) similar to land described under a land classification

71.21 system selected by the board of water and soil resources.

71.22 Subd. 3. [BOARD.] "Board" means the board of water and

71.23 soil resources.

71.24 Subd. 4. [SHORT ROTATION WOODY CROPS.] "Short rotation

71.25 woody crops" means hybrid poplar and other woody plants that are

71.26 harvested for their fiber within 15 years of planting.

71.27 Subd. 5. [WINDBREAK.] "Windbreak" means a strip or belt of

71.28 trees, shrubs, or grass barriers designed and located to reduce

71.29 snow deposition on highways, improve wildlife habitat or control

71.30 soil erosion.

71.31 Sec. 41. [ELIGIBILITY TERMS.]

71.32 (a) Agricultural land eligible for the board's program

71.33 under section 42 must not exceed 160 acres for individual

71.34 landowners.

71.35 (b) Agricultural land eligible for payment in fiscal year

71.36 2000 must have been in a county under presidential disaster

72.1 declaration in either 1998 or 1999. In fiscal years 2001 and

72.2 thereafter, payment is available for eligible agricultural land

72.3 in any county under a presidential disaster declaration related

72.4 to agriculture.

72.5 (c) Eligible land may be set aside for payment under

72.6 section 42 for a period of three years.

72.7 (d) At least five percent of an individual's acreage set

72.8 aside for payments under this program must be planted with short

72.9 rotation woody crops or windbreaks. Short rotation woody crops

72.10 and windbreaks may not be planted within one-quarter of a mile

72.11 of a state or federally protected prairie. Plantings on each

72.12 acre may be consistent with an organic farming plan developed

72.13 under the supervision of an approved organic certification

72.14 organization and must be in compliance with a conservation plan

72.15 approved by the local soil and water conservation district and

72.16 seeded to a vegetative cover at the earliest practicable time.

72.17 (e) Land enrolled in the federal conservation reserve
72.18 program under Public Law Number 99-198, as amended, is not
72.19 eligible for enrollment under sections 40 to 43.
72.20 Sec. 42. [PAYMENTS.]
72.21 To the extent appropriated money is available for this
72.22 purpose, annual payments for eligible land under section 41 that
72.23 is set aside by the board must be based on the soil rental rates
72.24 established under the federal conservation reserve program
72.25 contained in Public Law Number 99-198. An additional annual
72.26 payment of \$5 per acre may be paid for acreage maintenance.
72.27 Payments for conservation plan implementation must be
72.28 consistent with Minnesota Statutes, section 103C.501.
72.29 Sec. 43. [ADMINISTRATION.]
72.30 The land payment program in sections 41 and 42 must be
72.31 administered by soil and water conservation districts under
72.32 guidelines and grants by the board.
72.33 Sec. 44. [REPEALER.]
72.34 Section 20 of H.F. No. 3046 of the 2000 regular session, if
72.35 enacted, is repealed.
72.36 Sec. 45. [EFFECTIVE DATE.]
73.1 Section 10 is effective the day following final enactment
73.2 and applies to claims for corrective action costs incurred after
73.3 that date. Sections 11 and 35 are effective retroactive to July
73.4 1, 1999. The remainder of this article is effective the day
73.5 following final enactment.

OLD BUSINESS

**2. CREP Agreement
DECISION**

Amendment Number 1
to
Conservation Reserve Enhancement Program Agreement Among the U.S. Department of
Agriculture, Commodity Credit Corporation and the State of Minnesota

The Conservation Reserve Enhancement Program Agreement between the U.S. Department of Agriculture, Commodity Credit Corporation, and the State of Minnesota Executed on February 19, 1998, is hereby modified as follows:

New language is underlined.

Part V. **RESPONSIBILITIES OF THE CCC AND FSA** is amended as follows:

10. CCC will make payments to landowners using the prevailing soil rental rate and marginal pasture land rental rate. Parties will earn an additional 20 percent incentive payment with respect to eligible land. Parties to establish CRP conservation practices CP21 or CP22 will earn an additional CRP-Signing Incentive Payment (SIP). In addition, CCC will pay the Practice Incentive Payment (PIP) for conservation practices CP9, CP21 and CP22. Conservation practices specified in Appendix A shall be applied to the site.

So agreed:

A. On behalf of the United States Department of Agriculture and the Commodity Credit Corporation

Deputy Administrator for Farm Programs
Farm Service Agency and
Deputy Vice President
Commodity Credit Corporation

Date

B. For the State of Minnesota

Jesse Ventura
Governor

Date

V1.3 (4/18/00)

(3)

TO: Deputy Administrator Farms Program DATE: April 28, 2000

FROM: Tracy Beckman, SED
Minnesota State FSA Office

SUBJECT: Minnesota CREP Agreement
Side by Side comparison

Below is a side by side comparison for implementation of the continuous signup provisions as a result of 2-CRP(Rev.3) amendment 19.

EXISTING MINNESOTA CREP AGREEMENT					
Practice	Incentive	CRP-SIP	PIP	Maintenance	Pasture Rate
CP9	20%	N/A	N/A	\$5	N/A
CP21	20%	N/A	N/A	\$5	N/A
CP22	20%	N/A	N/A	\$5	SRR
CP23	20%	N/A	N/A	\$5	N/A
CP25	20%	N/A	N/A	\$5	N/A

REVISED MINNESOTA CREP AGREEMENT					
Practice	Incentive	CRP-SIP	PIP	Maintenance	Pasture Rate
CP9	20%	N/A	40% of eligible costs	\$5	N/A
CP21	20%	\$10 per acre / per full year	40% of eligible costs	\$5	N/A
CP22	20%	\$10 per acre / per full year	40% of eligible costs	\$5	National Notice CRP-363
CP23	20%	N/A	N/A	\$5	N/A
CP25	20%	N/A	N/A	\$5	N/A

Note: As of April 6, 2000, Minnesota is using the marginal pastureland rental rates for both the regular continuous CRP signups and the CREP signups. In addition, any technical practice changes to the continuous signup practices CP9, CP21, and CP22, are automatically assumed to be applicable to the Minnesota CREP. Therefore, they were not listed as a revision that needs approval.

From: "Engwall, Craig" <Craig.Engwall@state.mn.us>
To: 'Greg Larson' <Greg.Larson@bwsr.state.mn.us>
Date: 5/11/00 9:15AM
Subject: Amendment to CREP MOU

Hi Greg, I've had a chance to review the proposed amendments to the CREP agreement, and I'm comfortable with all of them. If you have any questions or require further assistance, please don't hesitate to contact me.

Craig Engwall
Assistant Attorney General
(651) 297-4391



MEMORANDUM

May 12, 2000

One West Water Street
Suite 200
St. Paul, MN 55107
(651) 296-3767
Fax (651) 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:

261 Highway 15 S.
New Ulm, MN 56073-8915
(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

TO: Board Members

Jim
FR: Jim Haertel, Water Management Specialist

PH: (651) 297-2906

**RE: Lower Minnesota River and Minnehaha Creek Watershed Districts
Boundary Change Petitions**

Due to the complexity of the above referenced matters, I will attempt to contact each of you by telephone May 22 and 23 before the board meeting. I will be asking if you have any questions or desire any additional information.

Of course, if you have any questions or desire information before then, please contact me.

c: Doug Thomas
Ron Harnack

An equal opportunity employer

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NEW BUSINESS

1. Minnehaha Creek Watershed District
Boundary Change
DECISION

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

In the Matter of the Boundary Change for
the Minnehaha Creek Watershed District in
Hennepin County pursuant to Minnesota
Statutes § 103B.215

**ORDER
BOUNDARY
CHANGE**

Whereas, the Minnehaha Creek Watershed District filed a Petition dated February 9, 2000 with the Board of Water and Soil Resources (Board) on February 9, 2000, to change the watershed district's boundaries pursuant to Minn. Stat. § 103B.215, and;

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

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

FINDINGS

1. **Petition.** The Petition (See Hearing Exhibit 1) to change the boundary of the Minnehaha Creek Watershed District was filed by the Minnehaha Creek Watershed District Board of Managers with the Board on February 9, 2000.
2. **Property Description.** The territory to be included in the watershed district, the Petitioned Area, is located in Hennepin County and is approximately 710 acres contiguous to the Minneapolis-St. Paul International airport, which includes but is not limited to, the Department of Veterans Affairs, the U.S. Air Force Reserve, the U.S. Army Reserve, the Minnesota Air National Guard, the U.S. Naval Reserve, the General Services Administration, the U.S. Bureau of Mines, the Minnesota Department of Transportation, and the Minneapolis Park and Recreation Board.

3. **Reasons for change.** The Petition lists the following (See Exhibit 1):

A. The Petitioned Area is not under the management or jurisdiction of any watershed district or joint powers watershed management organization.

B. The Petitioned Area contains valued surface and ground water resources, including wetlands, black ash seeps along the Mississippi River bluffs, and Camp Coldwater Springs, a Native American sacred site and a valued natural and cultural resource. A remnant of native prairie, whose relation to the existing hydrology is not yet known, also is found within the Petitioned Area.

C. MnDOT Highway 55 reconstruction will pass through the Petitioned Area, including substantial construction associated with the Highway 55/Route 62 interchange. This construction will create potential wetland and surface water impacts and impacts on these valued ground water resources. Light rail transit construction will follow, with a similar need for careful oversight.

D. The State of Minnesota recently has indicted an active intent to seek occupancy and use of buildings within Fort Snelling that lie within the Petitioned Area, creating the likelihood of substantial construction activity associated with modernizing and providing infrastructure for the compound.

E. The remainder of the Petitioned Area encompasses an assortment of federal and state lands subject in the coming years to transfer into other public or private hands and to use or development in ways not yet known.

4. **Filing Notice and Hearing Notice.** Minn. Stat. § 103B.215, Subd. 3 requires a notice of filing be published twice and, if a hearing is requested, publish notice of hearing twice and hold a hearing. On March 22, 2000 a hearing was requested. (See Exhibit 4) On March 22, 2000 the Board determined the Petition was sufficient and ordered a public hearing be held on the Petition at the Veterans Affairs Medical Center on April 27, 2000. (See Exhibit 5) On March 24 and March 30, 2000 a legal notice of public hearing was published in the Star Tribune. (See Exhibit 8) Further, on March 22, 2000 a letter was sent concerning the public hearing complete with a map to several interested parties including affected county auditors, cities and townships. (See Exhibit 7)

5. **Hearing Scope.** Subsequent to receipt of the Petition and prior to the Board's March 22, 2000 meeting, the Lower Minnesota River Watershed District advised the Board of their intent to file a boundary change petition prior to the April 27, 2000 hearing involving the entire Minneapolis-St. Paul International Airport and part of the same area the Minnehaha Creek Watershed District Petition included. Therefore, the March 22, 2000 Board order for hearing included notice for the Minnehaha Creek Watershed District Petition and, if received before the hearing, the Lower Minnesota River Watershed District petition for all lands in the vicinity of the Minneapolis-St. Paul International Airport not under a watershed management organization.
6. **Public Hearing.** A public hearing was held on the boundary change petitions of the Minnehaha Creek Watershed District and the Lower Minnesota River Watershed District on April 27, 2000 at the Veterans Affairs Medical Center Conference Room, One Veterans Drive, Minneapolis, Minnesota. The proceedings were tape recorded. The Board's Metropolitan Water Planning Subcommittee presided over the hearing with Kathleen Roer as chair.

Jim Haertel, Board staff, entered Exhibits 1 through 32 into the record by reading a brief description of each exhibit.

Exhibit 1. Petition for boundary change dated February 9, 2000, from the Minnehaha Creek Watershed District (MCWD) together with Exhibits A-map and B-legal description, and cover letter of same date.

Exhibit 2. Petition for boundary change dated April 24, 2000, from the Lower Minnesota River Watershed District (LMRWD) together with Exhibits A-map, B-legal description, C-letters of support from MAC 4/19/00, Army 4/17/00, National Guard 4/18/00, Air Force 4/18/00, Navy 4/14/00, Mpls Park Board 4/19/00, MnDOT 4/18/00, Model Joint Resolution, D-MCWD Map, and E-3/20/00 letter to MCWD from LMRWD.

Exhibit 3. Map from the DNR-Division of Waters depicting major and minor watersheds in the vicinity of the Minneapolis-St. Paul International Airport.

Exhibit 4. March 22, 2000 e-mail from Dennis Larson, MnDOT to Jim Haertel, BWSR requesting a public hearing.

- Exhibit 5. BWSR Order dated March 22, 2000, ordering boundary change hearing.
- Exhibit 6. March 22, 2000 legal notice of public hearing signed by Jim Haertel.
- Exhibit 7. March 22, 2000 letter from Jim Haertel, BWSR, to several addressees regarding the public hearing together with attachments: legal notice of public hearing, map, list of addressees.
- Exhibit 8. Affidavit of publication of legal notice of public hearing in the Star Tribune on March 24 and March 30, 2000.
- Exhibit 9. January 19, 2000 letter from Preserve Camp Coldwater Coalition to MCWD regarding the boundary change petition
- Exhibit 10. March 16, 2000 letter from Daniel Dorgan, MnDOT to Ronald Harnack, BWSR against the MCWD boundary change petition.
- Exhibit 11. March 21, 2000 letter from Gary Warren, Metropolitan Airports Commission to Lawrence Samstad, LMRWD supporting the LMRWD boundary change petition.
- Exhibit 12. March 21, 2000 letter from Gary Warren, MAC to Ronald Harnack, BWSR supporting the LMRWD boundary change petition.
- Exhibit 13. March 21, 2000 letter from Lieutenant Colonel James Phillips, U.S. Army to Ronald Harnack, BWSR regarding the boundary change petitions.
- Exhibit 14. March 21, 2000 letter from Captain Robert Porter, U.S. Navy to Ronald Harnack, BWSR regarding the boundary change petitions.
- Exhibit 15. March 21, 2000 letter from David Swanburg, U.S. Air Force to Ronald Harnack, BWSR regarding the boundary change petitions.
- Exhibit 16. April 5, 2000 letter from Robert Mosedale to Ronald Harnack, BWSR regarding a dye trace study for Coldwater Spring.
- Exhibit 17. April 18, 2000 letter from Colonel Dean Despinoy, U.S. Air Force to Ronald Harnack, BWSR supporting the LMRWD boundary change petition.
- Exhibit 18. April 18, 2000 letter from Colonel Dean Despinoy, U.S. Air Force to Bruce Malkerson, LMRWD Counsel supporting the LMRWD boundary change petition.

Exhibit 19. Resolution #00-0001 dated April 12, 2000 from the Mendota Mdewakanton Dakota Community supporting the MCWD boundary change petition for Camp Coldwater and Coldwater Spring.

Exhibit 20. April 21, 2000 letter from Bruce Malkerson, LMRWD Counsel to Eric Evenson, MCWD regarding the boundary change petitions and a possible future boundary change.

Exhibit 21. Map produced by Liesch entitled "MCWD Permit Application for 2010 LTCP-Existing Watershed Boundaries", Sheet 1.

Exhibit 22. Map produced by Liesch entitled "MCWD Permit Application for 2010 LTCP-Future Watershed Boundaries", Sheet 2.

Exhibit 23. Map dated March 27, 1997, entitled "Minnesota Air National Guard 133 Airlift Wing Base Map".

Exhibit 24. Map dated April 23, 1998, entitled "Air Force Reserve Civil Engineering 934th Air Wing".

Exhibit 25. Map approximately 36 inches by 66 inches showing the area which currently drains toward the Highways 55 & 62 interchange and will be drained by proposed MAC storm sewer.

Exhibit 26. Map produced by BWSR dated April 25, 2000 entitled "Watershed Organizations and the MSP International Airport" depicting the areas petitioned by the Minnehaha Creek Watershed District and the Lower Minnesota River Watershed District.

Exhibit 27. Map which is the same as Exhibit 26 only produced in an 8 ½" by 11" format with guidelines for oral testimony printed on the reverse side.

Exhibit 28. Undated aerial photograph of the MSP International Airport area from the Hennepin Conservation District with land ownership delineated.

Exhibit 29. April 26, 2000 prehearing memorandum from Louis Smith, MCWD Counsel.

Exhibit 30. April 22, 2000 letter from Craig Larson supporting the MCWD petition.

Exhibit 31. April 26, 2000 letter from Catherine Parker supporting the MCWD boundary change petition.

Exhibit 32. April 27, 2000 letter from State Senator Jane Ranum supporting the Minnehaha Creek Watershed District petition.

Exhibit 33. Map, approximately 17" by 21", showing MCWD and LMRWD petitioned areas presented by Mike Panzer, Wenck Engineering for MCWD.

Exhibit 34. Affidavit of Kelton Barr, dated April 27, 2000.

Exhibit 35. Three ring binder containing the presentation of Larry Samstad, LMRWD including Exhibits 1-4 supporting the LMRWD boundary change petition.

Exhibit 36. Presentation of MAC made by Gary Warren including selected minutes of the April 17, 2000 MAC meeting and the April 4, 2000 Planning and Environment Committee meeting along with two 8 ½" by 11" maps supporting the LMRWD boundary change petition.

Exhibit 37. Presentation of David Swanburg, U.S. Air Force Reserve including April 26, 2000 cover letter from Colonel Paul R. Groskeutz supporting the LMRWD boundary change petition.

Exhibit 38. Map of Air Force Reserve area dated June 16 & 17, 1999 showing contours and buildings.

Exhibit 39. Presentation of Lt. Col. Lewis Wolf, Minnesota Air National Guard, supporting the LMRWD boundary change petition.

Exhibit 40. Map entitled "Minnesota Air National Guard Master Plan" dated August, 1990, showing contours and flow directions, supporting the LMRWD boundary change petition.

Exhibit 41. April 14, 2000 letter from Captain Robert Porter, U.S. Naval Reserve, to Bruce Malkerson, LMRWD Counsel supporting the LMRWD boundary change petition.

Exhibit 42. April 17, 2000 letter from Lt. Col. James Phillips, U.S. Army Reserve, to Bruce Malkerson, LMRWD Counsel supporting the LMRWD boundary change petition.

Exhibit 43. Presentation of Dennis Larson, MnDOT, including Maps A, B, C, and D.

Exhibit 44. April 25, 2000 letter including two 8 ½" by 11" maps from Larry Peterson, Minneapolis Park and Recreation Board (MPRB), to Bruce Malkerson, LMRWD Counsel regarding the boundary change petitions.

Exhibit 45. April 19, 2000 letter from Larry Peterson, MPRB, to Bruce Malkerson, LMRWD Counsel regarding the boundary change petitions.

Exhibit 46. MPRB 8 ½" by 11" transparency entitled "Existing Conditions Fort Snelling Athletic Complex" dated June 29, 1999.

Exhibit 47. MPRB 8 ½" by 11" transparency entitled "Master Plan Fort Snelling Athletic Complex" dated March 27, 2000.

Exhibit 48. MPRB 8 ½" by 11" transparency entitled "Fort Snelling State Park Upper Bluff Area".

Exhibit 49. MPRB 8 ½" by 11" transparency dated March, 1994 showing Fort Snelling and vicinity.

Exhibit 50. Citizen Petition to Preserve Camp Coldwater and Coldwater Spring supporting the MCWD boundary change petition including approximately 2000 petitioner signatures. Note: signatures have not been verified and duplicate signatures have not been checked for.

Exhibit 51. April 19, 1999 memo from Frank Pafko, MnDOT to Charles Howe, MnDOT regarding the potential impact of the redesigned storm sewer construction on the natural spring at the Camp Coldwater Historic Site.

After all people present at the public hearing were given an opportunity to speak, the hearing record was left open for two weeks until noon on May 11, 2000 for receipt of written comments. The following exhibits were received while the record was open.

Exhibit 52. May 2, 2000 e-mail from Carol Kratz to Jim Haertel, BWSR supporting the MCWD boundary change petition.

Exhibit 53. May 5, 2000 letter from Bruce Malkerson, LMRWD Counsel to Ron Harnack, BWSR forwarding a three ring binder of LMRWD post-hearing memorandum including exhibits A-J. Note: Exhibits G and H were not included and forwarded separately on May 8, 2000 from Dennis Larson, MnDOT.

Exhibit 54. May 7, 2000 e-mail from Mike Andert, Jim Haertel, BWSR supporting MCWD boundary change petition.

Exhibit 55. May 9, 2000 testimony from Dennis Larson, MnDOT including Maps A-D. This exhibit is similar to Exhibit 43 with typographical errors removed.

Exhibit 56. May 9, 2000 letter from Thomas Holtzleiter to Jim Haertel, BWSR supporting the MCWD boundary change petition.

Exhibit 57. Citizen Petition to Preserve Camp Coldwater and Coldwater Spring supporting the MCWD boundary change petition including approximately 200 petitioner signatures.

Note: this exhibit is additional to Exhibit 50, this exhibit is not an original rather it is a photocopy, signatures have not been verified and duplicate signatures have not been checked for.

Exhibit 58. "Minnehaha Creek Watershed District Bluff Area Summary Report" prepared by Kelton Barr Consulting, Inc., dated April 2000, including 9 tables, 36 figures and 7 appendices.

Exhibit 59. May 10, 2000 memorandum from BWSR Metro Region to BWSR Metro Water Planning Subcommittee supporting the LMRWD boundary change petition in the contested areas.

Exhibit 60. May 10, 2000 request for continuance by C. Charles Caruso, Assistant Regional Counsel, U.S. Department of Veterans Affairs.

Exhibit 61. May 5 and 10, 2000 City of Minneapolis Resolution 00062 supporting the MCWD boundary change petition for Mississippi River drainage area.

Exhibit 62. May 11, 2000 letter from Jan Dalsin to BWSR supporting the MCWD boundary change petition.

11. **Board Staff Report.** The Board's Metro Region staff report dated May 10, 2000 (See Exhibit 59), recommended the Lower Minnesota River Watershed District boundary change petition be approved and the Minnehaha Creek Watershed District boundary change petition be approved only in the "uncontested" areas where the two petitions did not overlap.
12. **Metropolitan Water Planning Subcommittee.** The Metropolitan Water Planning Subcommittee met on May 11, 2000 and, based on the oral and written record in this matter, decided the following:

- A. No city, town or watershed management organization, either Joint Powers Agreement or Watershed District, has jurisdiction over the territory of the Petitioned Area. Therefore, the concurrence requirement of Minn. Stat. § 103B.215, Subds. 2(c) and 4(c) is not applicable.
- B. The Minnehaha Creek Watershed District boundary change should be approved per the Petition (See Exhibit 1) only in the "uncontested" area where the Lower Minnesota River Watershed District did not petition for the same area. This does not include "Area A" as depicted on Exhibit A of the Petition and does not include that portion of "Area B" southerly of the northerly boundary of the MnDOT right-of-way as depicted on Exhibit A of the Petition. The boundary determination is based primarily on the existing surface water drainage of the Petitioned Area, but with consideration given to commonality of land use, ground water flow, parcel configuration, desires of land occupiers, and future storm water drainage projects.
- C. The boundary change is consistent with the purposes and requirements of the Metropolitan Surface Water Management Act, Minn. Stat. §§ 103B.201 to 103B.255, and will be for the public welfare and public interest.
- D. The boundary change can be accomplished in conformance with Minn. Stat. § 103B.225 since the Petitioned Area is not within a watershed management organization. The boundary change does not affect the benefits or damages for any previously constructed improvements by a watershed district.
- E. Due to the importance of ground water and the paramount importance of the protection of Camp Coldwater Spring, the Lower Minnesota River Watershed District should work cooperatively with the Minnehaha Creek Watershed District to protect this valuable resource. Further, the two watershed districts should coordinate to resolve together any possible adverse impacts of the Highways 55 and 62 interchange project, however, it is noted that MnDOT has incorporated into their design plans the recommendations contained in the Kelton Barr report (See Exhibit 58) to minimize such potential impacts.
- F. The Minnehaha Creek Watershed District Watershed Management Plan must be amended to include the new additional area. A draft plan amendment should be submitted within one year of the date of this order and the plan amendment should be approved within two years of the date of this order.

CONCLUSIONS

1. The Petition for boundary change of the Minnehaha Creek Watershed District is valid in accordance with Minn. Stat. § 103B.215.
2. All relevant substantive and procedural requirements of law and rule have been fulfilled.
3. The Board has proper jurisdiction in the matter of ordering a watershed district boundary change.
4. The Minnehaha Creek Watershed District boundary change should be approved per the Petition (See Exhibit 1) only in the "uncontested" area where the Lower Minnesota River Watershed District did not petition for the same area. This does not include "Area A" as depicted on Exhibit A of the Petition and does not include that portion of "Area B" southerly of the northerly boundary of the MnDOT right-of-way as depicted on Exhibit A of the Petition. The boundary determination is based primarily on the existing surface water drainage of the Petitioned Area, but with consideration given to commonality of land use, ground water flow, parcel configuration, desires of land occupiers and future storm water drainage projects
5. No city, town or watershed management organization, either Joint Powers Agreement or Watershed District, has jurisdiction over the territory of the Petitioned Area. Therefore, the concurrence requirement of Minn. Stat. § 103B.215, Subds. 2(c) and 4(c) is not applicable.
6. The boundary change is consistent with the purposes and requirements of the Metropolitan Surface Water Management Act, Minn. Stat. §§ 103B.201 to 103B.255, and will be for the public welfare and public interest.

7. The boundary change can be accomplished in conformance with Minn. Stat. § 103B.225 since the Petitioned Area is not within a watershed management organization. The boundary change does not affect the benefits or damages for any previously constructed improvements by a watershed district.
8. Due to the importance of ground water and the paramount importance of the protection of Camp Coldwater Spring, the Minnehaha Creek Watershed District should work cooperatively with the Lower Minnesota River Watershed District to protect this valuable resource. Further, the two watershed districts should coordinate to resolve together any possible adverse impacts of the Highways 55 and 62 interchange project, however, it is noted that MnDOT has incorporated into their design plans the recommendations contained in the Kelton Barr report (See Exhibit 58) to minimize such potential impacts.
9. The Lower Minnesota River Watershed District Watershed Management Plan must be amended to include the new additional areas. A draft plan amendment should be submitted within one year of the date of this order and the plan amendment should be approved within two years of the date of this order.

ORDER

1. The Board hereby orders that the boundary of the Minnehaha Creek Watershed District is changed to enlarge the District per their February 9, 2000 boundary change Petition (See Exhibit 1) only in the "uncontested" area where the Lower Minnesota River Watershed District did not petition for the same area. This does not include "Area A" as depicted on Exhibit A of the Petition and does not include that portion of "Area B" southerly of the northerly boundary of the MnDOT right-of-way as depicted on Exhibit A of the Petition. The legal boundary is as specified in Exhibit B of said Petition attached and made a part of this order hereof except for the southerly boundary which is as specified in Exhibit B of the Lower Minnesota River Watershed District boundary change petition (See Exhibit 2) for the Minnesota Department of Transportation Right-Of-Way attached and made a part of this order hereof, and generally depicted on the map labeled "Attachment A" attached and made a part of this order hereof.
2. The Minnehaha Creek Watershed District Watershed Management Plan must be amended to include the new additional area. A draft plan amendment must be submitted within one year of the date of this order and the plan amendment must be approved within two years of the date of this order.
3. Due to the importance of ground water and the paramount importance of the protection of Camp Coldwater Spring, the Minnehaha Creek Watershed District should work cooperatively with the Lower Minnesota River Watershed District to protect this valuable resource. Further, the two watershed districts should coordinate to resolve together any possible adverse impacts of the Highways 55 and 62 interchange project, however, it is noted that MnDOT has incorporated into their design plans the recommendations contained in the Kelton Barr report (See Exhibit 58) to minimize such potential impacts.

Dated this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: _____
Kathleen M. Roer, Chair

**MCWD Boundary Change Petition
Petitioned Area**

1. Beginning at the existing boundary of the Minnehaha Creek Watershed District at the intersection of the east line of Section 25 and the centerline of Highway 62, proceeding southerly to the south boundary of the City of Minneapolis;
2. Thence easterly on the City of Minneapolis south boundary line to the centerline of 37th Avenue extended;
3. Thence southerly on the centerline of 37th Avenue extended, the same also being the boundary line between the MAC and U.S. Property; to the centerline of 59th Street;
4. Thence easterly on the centerline of 59th Street, the same also being the boundary line between the MAC and U.S. Property, approximately 600 feet to the centerline of 39th Avenue extended;
5. Thence southerly on 39th Avenue extended, the same being the boundary line between the MAC and U.S. Property, a distance of approximately 900 feet;
6. Thence southeasterly on the boundary line between the MAC and U.S. Property approximately 300 feet;
7. Thence easterly on the boundary line between the MAC and U.S. Property approximately 1,300 feet;
8. Thence northerly on the boundary line between the MAC and U.S. Property to the centerline of 59th Street;
9. Thence easterly on the centerline of 59th Street, the same also being the boundary line between the MAC and City of Minneapolis, to the centerline of 46th Avenue;
10. Thence southerly on the boundary line between the MAC and U.S. Property, the same also being the east line of Sections 19 and 30, Township 28 North, Range 24 West, 4th Principal Meridian, approximately 2,800 feet;
11. Thence southeasterly on the boundary line between the MAC and U.S. Property to the centerline of Bloomington Road;
12. Thence northeasterly on the centerline of Bloomington Road to the centerline of State Highway 5, and continuing northeasterly on the centerline of Bloomington Road extended to the east boundary of Hennepin County;
13. Thence northwesterly on the east boundary of Hennepin County to the intersection with the existing boundary of the MCWD at 54th Street;
14. Thence following the existing boundary of the MCWD to the point of beginning.

**LMRWD Boundary Change Petition
Petitioned Area Boundary Description**

1. Property Located Generally South Of Highways 62 And 55

Beginning at a point on the existing boundary of the Lower Minnesota River Watershed District, said point being at the point of intersection of the centerline of Hennepin County State Aid Highway No. 1 with the north line of Section 1, Township 27 North, Range 24 West, said north line of Section 1 also being a northerly boundary line of the City of Bloomington;

Thence westerly along said north line of Section 1 and said northerly boundary line of the City of Bloomington to an intersection with the southerly extension of the most northerly easterly right of way line of State Trunk Highway No. 77, as the same is located in the Southwest Quarter of the Southwest Quarter of Section 36, Township 28 North, Range 24 West;

Thence northerly along said southerly extension and most northerly easterly right of way line of State Trunk Highway No. 77 to the north line of said Southwest Quarter of the Southwest Quarter of Section 36;

Thence continuing northerly along said easterly right of way line of State Trunk Highway No. 77 as the same is located in the Northwest Quarter of said Southwest Quarter of Section 36 and the Northwest Quarter of said Section 36 to the south line of Section 25, Township 28 North, Range 24 West;

Thence easterly along said south line of Section 25 to the southeast corner of said Section 25;

Thence northerly along the east line of said Section 25 to the northeast corner of said Section 25, also being the southeast corner of Section 24, Township 28 North, Range 24 West;

Thence northerly along the east line of said Section 24 to the southerly right of way line of Hennepin County State Aid Highway No. 62, as the same is located in said Section 24;

Thence easterly along said southerly right of way line of Hennepin County State Aid Highway No. 62 to the westerly right of way line of 42nd Avenue South;

Thence southerly along said westerly right of way line of 42nd Avenue South to the southerly right of way line of East 59th Street;

Thence easterly along said southerly right of way line of East 59th Street to the easterly right of way line of 46th Avenue South;

Thence northerly along said easterly right of way line to said southerly right of way line of Hennepin County State Aid Highway No. 62;

Thence easterly along said southerly right of way line of Hennepin County State Aid Highway No. 62 to the westerly right of way line of State Trunk Highway No. 55;

EXHIBIT

B

Thence southerly and southeasterly along said westerly right of way line of State Trunk Highway No. 55 to the southeasterly right of way line of Bloomington Road, also known as Hennepin County Road No. 204;

Thence northeasterly along the northeasterly extension of said southeasterly right of way line of Bloomington Road to the centerline of the Mississippi River;

Thence southeasterly along said centerline of the Mississippi River to a point on said existing boundary of the Lower Minnesota River Watershed District, said point being at the intersection of said centerline of the Mississippi River with the centerline of State Trunk Highway No 5;

Thence southwesterly and westerly along said centerline of State Trunk No. 5 and said existing boundary of the Lower Minnesota River Watershed District to its intersection with the north line of Section 6, Township 27 North, Range 23 West, also being a north line of the City of Bloomington;

Thence westerly along said north line of Section 6 and said a north line of the City of Bloomington and said existing boundary of the Lower Minnesota River Watershed District to the northwest corner of said Section 6, also being the northeast corner of said Section 1, Township 27 North, Range 24 West;

Thence westerly along the north line of said Section 1 and said a north line of the City of Bloomington and said existing boundary of the Lower Minnesota River Watershed District to the point of beginning.

2. Minnesota Department Of Transportation Right-Of-Way

Beginning at the intersection of the east boundary of 46th Avenue South, the same being the boundary line between the City of Minneapolis and Fort Snelling Reservation, with the northerly boundary of State Trunk Highway 62;

Thence easterly along said northerly boundary of State Trunk Highway 62 and its easterly extension to the easterly boundary of State Trunk Highway 55, the same being westerly boundary of the United States Bureau of Mines;

Thence southerly and easterly along said easterly boundary of State Trunk Highway 55 for 1115 feet, more or less, to the southeast boundary of said United States Bureau of Mines;

Thence easterly along said easterly boundary of State Trunk Highway 55 and its easterly extension to the centerline of the Mississippi River;

Thence southerly and easterly along the centerline of the Mississippi River to the southerly boundary of Bloomington Road extended;

Thence southwesterly in Township 28 North, Range 23 West, 4th Principal Meridian on the southerly boundary of Bloomington Road extended to the intersection of the westerly boundary of State Trunk Highway 55;

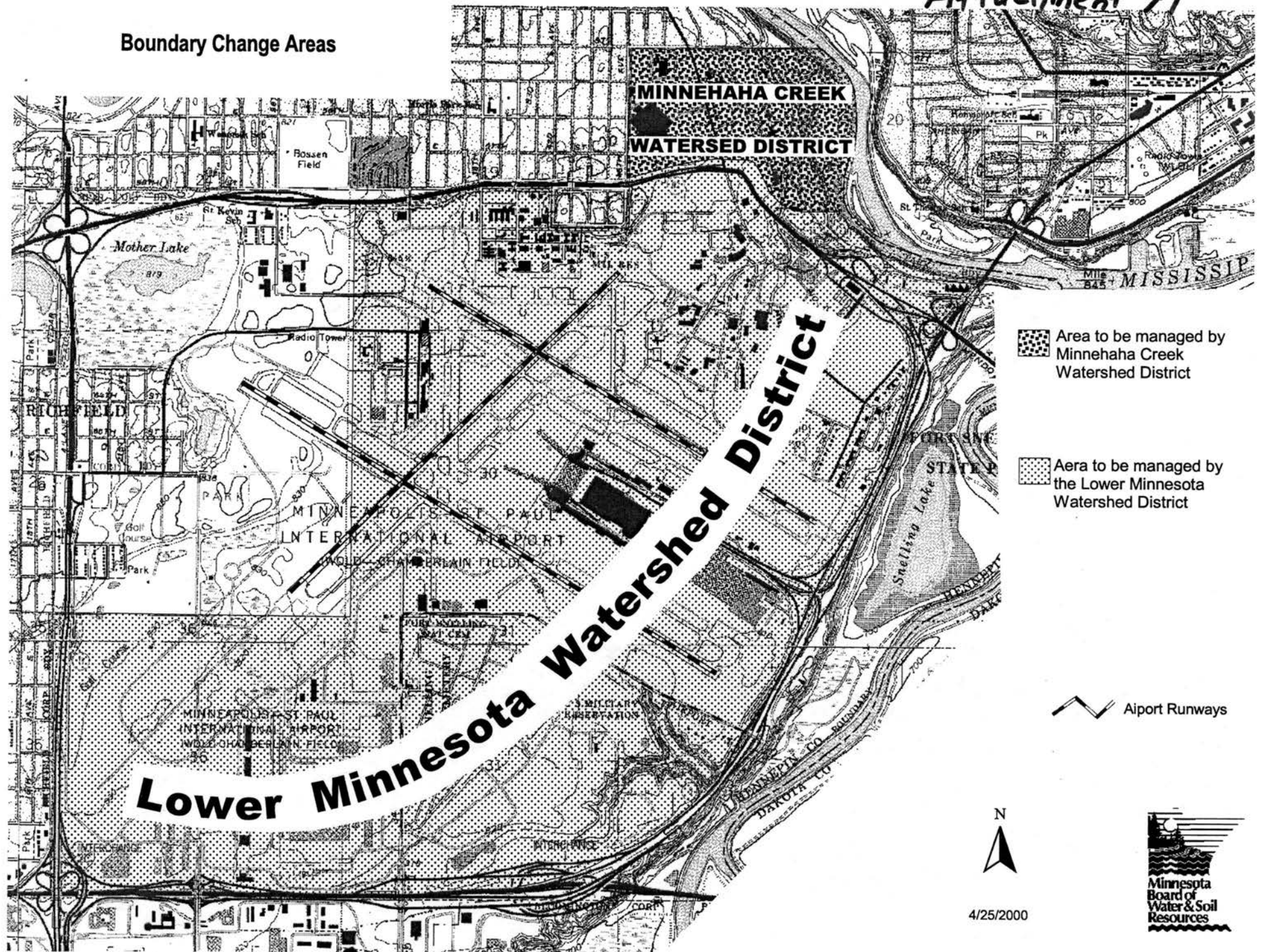
Thence northwesterly in Township 28 North, Range 23 West, 4th Principal Meridian along the westerly boundary of State Trunk Highway 55 to its intersection of the southerly boundary of State Trunk Highway 62;

Thence westerly along the southerly boundary of State Trunk Highway 62 to the easterly boundary of 46th Avenue South, the same being the boundary line between the City of Minneapolis and Fort Snelling Reservation;

Thence northerly along said easterly boundary of 46th Avenue South, the same being the boundary line between the City of Minneapolis and Fort Snelling Reservation, to its intersection with the northerly boundary of State Trunk Highway 62, and there terminating.

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Boundary Change Areas



NEW BUSINESS

2. Lower Minnesota River Watershed
District Boundary Change
DECISION

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

In the Matter of the Boundary Change for
the Lower Minnesota River Watershed District
in Hennepin County pursuant to Minnesota
Statutes § 103B.215

**ORDER
BOUNDARY
CHANGE**

Whereas, the Lower Minnesota River Watershed District (LMRWD) filed a Petition dated April 24, 2000 with the Board of Water and Soil Resources (Board) on April 24, 2000, to change the watershed district's boundaries pursuant to Minn. Stat. § 103B.215, and;

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

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

FINDINGS

1. **Petition.** The Petition (See Hearing Exhibit 2) to change the boundary of the Lower Minnesota River Watershed District was filed by the Lower Minnesota River Watershed District Board of Managers with the Board on April 24, 2000.
2. **Property Description.** The territory to be included in the watershed district, the Petitioned Area, is in Hennepin County, is approximately 3,346 acres in size, and includes but is not limited to, the Minneapolis-St. Paul International Airport, Fort Snelling State Park, Fort Snelling National Cemetery, the Department of Veterans Affairs, the U.S. Air Force Reserve, the U.S. Army Reserve, the Minnesota Air National Guard, the U.S. Naval Reserve, the General Services Administration, the U.S. Bureau of Mines, the Minnesota Department of Transportation, and the Minneapolis Park and Recreation Board.

3. **Reasons for change.** Among other reasons, the Petition lists the following (See Exhibit 2):

A. The Petitioned Area is not under the management or jurisdiction of any watershed district or joint powers watershed management organization.

B. The Petitioned Area contains important ground and surface water resources, including wetlands.

C. MnDOT Highway 55 reconstruction will pass through the Petitioned Area, including substantial construction associated with the Highway 55/Route 62 interchange.

D. Virtually all of the drainage from the Petitioned Area flows to the Minnesota River.

E. The Metropolitan Airports Commission, U.S. Air Force Reserve, U.S. Army Reserve, Department of Navy, Minnesota Air National Guard, Minnesota Department of Transportation support the Petition.

4. **Filing Notice and Hearing Notice.** Minn. Stat. § 103B.215, Subd. 3 requires a notice of filing be published twice and, if a hearing is requested, publish notice of hearing twice and hold a hearing. On March 22, 2000 a hearing was requested for the Minnehaha Creek Watershed District boundary change petition. (See Exhibit 4) On March 22, 2000 the Board determined the Minnehaha Creek Watershed District Boundary Change petition was sufficient and ordered a public hearing be held at the Veterans Affairs Medical Center on April 27, 2000. (See Exhibit 5) On March 24 and March 30, 2000 a legal notice of public hearing was published in the Star Tribune. (See Exhibit 8) Further, on March 22, 2000 a letter was sent concerning the public hearing complete with a map to several interested parties including Minnehaha Creek Watershed District and Lower Minnesota River Watershed District affected county auditors, cities and townships. (See Exhibit 7)

5. **Hearing Scope.** Subsequent to receipt of the Minnehaha Creek Watershed District petition and prior to the Board's March 22, 2000 meeting, the Lower Minnesota River Watershed District advised the Board of their intent to file a boundary change petition prior to the April 27, 2000 hearing involving the entire Minneapolis-St. Paul International Airport and part of the same area the Minnehaha Creek Watershed District petition included. Therefore, the March 22, 2000 Board order for hearing included notice for the Lower Minnesota River Watershed District Petition and, if received before the hearing, the Lower Minnesota River Watershed District petition for all lands in the vicinity of the Minneapolis-St. Paul International Airport not under a watershed management organization.
6. **Public Hearing.** A public hearing was held on the boundary change petitions of the Lower Minnesota River Watershed District and the Lower Minnesota River Watershed District on April 27, 2000 at the Veterans Affairs Medical Center Conference Room, One Veterans Drive, Minneapolis, Minnesota. The proceedings were tape recorded. The Board's Metropolitan Water Planning Subcommittee presided over the hearing with Kathleen Roer as chair.

Jim Haertel, Board staff, entered Exhibits 1 through 32 into the record by reading a brief description of each exhibit.

Exhibit 1. Petition for boundary change dated February 9, 2000, from the Minnehaha Creek Watershed District (MCWD) together with Exhibits A-map and B-legal description, and cover letter of same date.

Exhibit 2. Petition for boundary change dated April 24, 2000, from the Lower Minnesota River Watershed District (LMRWD) together with Exhibits A-map, B-legal description, C-letters of support from MAC 4/19/00, Army 4/17/00, National Guard 4/18/00, Air Force 4/18/00, Navy 4/14/00, Mpls Park Board 4/19/00, MnDOT 4/18/00, Model Joint Resolution, D-MCWD Map, and E-3/20/00 letter to MCWD from LMRWD.

Exhibit 3. Map from the DNR-Division of Waters depicting major and minor watersheds in the vicinity of the Minneapolis-St. Paul International Airport.

Exhibit 4. March 22, 2000 e-mail from Dennis Larson, MnDOT to Jim Haertel, BWSR requesting a public hearing.

Exhibit 5. BWSR Order dated March 22, 2000, ordering boundary change hearing.

Exhibit 6. March 22, 2000 legal notice of public hearing signed by Jim Haertel.

Exhibit 7. March 22, 2000 letter from Jim Haertel, BWSR, to several addressees regarding the public hearing together with attachments: legal notice of public hearing, map, list of addressees.

Exhibit 8. Affidavit of publication of legal notice of public hearing in the Star Tribune on March 24 and March 30, 2000.

Exhibit 9. January 19, 2000 letter from Preserve Camp Coldwater Coalition to MCWD regarding the boundary change petition

Exhibit 10. March 16, 2000 letter from Daniel Dorgan, MnDOT to Ronald Harnack, BWSR against the MCWD boundary change petition.

Exhibit 11. March 21, 2000 letter from Gary Warren, Metropolitan Airports Commission to Lawrence Samstad, LMRWD supporting the LMRWD boundary change petition.

Exhibit 12. March 21, 2000 letter from Gary Warren, MAC to Ronald Harnack, BWSR supporting the LMRWD boundary change petition.

Exhibit 13. March 21, 2000 letter from Lieutenant Colonel James Phillips, U.S. Army to Ronald Harnack, BWSR regarding the boundary change petitions.

Exhibit 14. March 21, 2000 letter from Captain Robert Porter, U.S. Navy to Ronald Harnack, BWSR regarding the boundary change petitions.

Exhibit 15. March 21, 2000 letter from David Swanburg, U.S. Air Force to Ronald Harnack, BWSR regarding the boundary change petitions.

Exhibit 16. April 5, 2000 letter from Robert Mosedale to Ronald Harnack, BWSR regarding a dye trace study for Coldwater Spring.

Exhibit 17. April 18, 2000 letter from Colonel Dean Despinoy, U.S. Air Force to Ronald Harnack, BWSR supporting the LMRWD boundary change petition.

Exhibit 18. April 18, 2000 letter from Colonel Dean Despinoy, U.S. Air Force to Bruce Malkerson, LMRWD Counsel supporting the LMRWD boundary change petition.

Exhibit 19. Resolution #00-0001 dated April 12, 2000 from the Mendota Mdewakanton Dakota Community supporting the MCWD boundary change petition for Camp Coldwater and Coldwater Spring.

Exhibit 20. April 21, 2000 letter from Bruce Malkerson, LMRWD Counsel to Eric Evenson, MCWD regarding the boundary change petitions and a possible future boundary change.

Exhibit 21. Map produced by Liesch entitled "MCWD Permit Application for 2010 LTCP-Existing Watershed Boundaries", Sheet 1.

Exhibit 22. Map produced by Liesch entitled "MCWD Permit Application for 2010 LTCP-Future Watershed Boundaries", Sheet 2.

Exhibit 23. Map dated March 27, 1997, entitled "Minnesota Air National Guard 133 Airlift Wing Base Map".

Exhibit 24. Map dated April 23, 1998, entitled "Air Force Reserve Civil Engineering 934th Air Wing".

Exhibit 25. Map approximately 36 inches by 66 inches showing the area which currently drains toward the Highways 55 & 62 interchange and will be drained by proposed MAC storm sewer.

Exhibit 26. Map produced by BWSR dated April 25, 2000 entitled "Watershed Organizations and the MSP International Airport" depicting the areas petitioned by the Minnehaha Creek Watershed District and the Lower Minnesota River Watershed District.

Exhibit 27. Map which is the same as Exhibit 26 only produced in an 8 ½" by 11" format with guidelines for oral testimony printed on the reverse side.

Exhibit 28. Undated aerial photograph of the MSP International Airport area from the Hennepin Conservation District with land ownership delineated.

Exhibit 29. April 26, 2000 prehearing memorandum from Louis Smith, MCWD Counsel.

Exhibit 30. April 22, 2000 letter from Craig Larson supporting the MCWD petition.

Exhibit 31. April 26, 2000 letter from Catherine Parker supporting the MCWD boundary change petition.

Exhibit 32. April 27, 2000 letter from State Senator Jane Ranum supporting the Minnehaha Creek Watershed District petition.

Exhibit 33. Map, approximately 17" by 21", showing MCWD and LMRWD petitioned areas presented by Mike Panzer, Wenck Engineering for MCWD.

Exhibit 34. Affidavit of Kelton Barr, dated April 27, 2000.

Exhibit 35. Three ring binder containing the presentation of Larry Samstad, LMRWD including Exhibits 1-4 supporting the LMRWD boundary change petition.

Exhibit 36. Presentation of MAC made by Gary Warren including selected minutes of the April 17, 2000 MAC meeting and the April 4, 2000 Planning and Environment Committee meeting along with two 8 ½" by 11" maps supporting the LMRWD boundary change petition.

Exhibit 37. Presentation of David Swanburg, U.S. Air Force Reserve including April 26, 2000 cover letter from Colonel Paul R. Groskeutz supporting the LMRWD boundary change petition.

Exhibit 38. Map of Air Force Reserve area dated June 16 & 17, 1999 showing contours and buildings.

Exhibit 39. Presentation of Lt. Col. Lewis Wolf, Minnesota Air National Guard, supporting the LMRWD boundary change petition.

Exhibit 40. Map entitled "Minnesota Air National Guard Master Plan" dated August, 1990, showing contours and flow directions, supporting the LMRWD boundary change petition.

Exhibit 41. April 14, 2000 letter from Captain Robert Porter, U.S. Naval Reserve, to Bruce Malkerson, LMRWD Counsel supporting the LMRWD boundary change petition.

Exhibit 42. April 17, 2000 letter from Lt. Col. James Phillips, U.S. Army Reserve, to Bruce Malkerson, LMRWD Counsel supporting the LMRWD boundary change petition.

Exhibit 43. Presentation of Dennis Larson, MnDOT, including Maps A, B, C, and D.

Exhibit 44. April 25, 2000 letter including two 8 ½" by 11" maps from Larry Peterson, Minneapolis Park and Recreation Board (MPRB), to Bruce Malkerson, LMRWD Counsel regarding the boundary change petitions.

Exhibit 45. April 19, 2000 letter from Larry Peterson, MPRB, to Bruce Malkerson, LMRWD Counsel regarding the boundary change petitions.

Exhibit 46. MPRB 8 ½" by 11" transparency entitled "Existing Conditions Fort Snelling Athletic Complex" dated June 29, 1999.

Exhibit 47. MPRB 8 ½" by 11" transparency entitled "Master Plan Fort Snelling Athletic Complex" dated March 27, 2000.

Exhibit 48. MPRB 8 ½" by 11" transparency entitled "Fort Snelling State Park Upper Bluff Area".

Exhibit 49. MPRB 8 ½" by 11" transparency dated March, 1994 showing Fort Snelling and vicinity.

Exhibit 50. Citizen Petition to Preserve Camp Coldwater and Coldwater Spring supporting the MCWD boundary change petition including approximately 2000 petitioner signatures. Note: signatures have not been verified and duplicate signatures have not been checked for.

Exhibit 51. April 19, 1999 memo from Frank Pafko, MnDOT to Charles Howe, MnDOT regarding the potential impact of the redesigned storm sewer construction on the natural spring at the Camp Coldwater Historic Site.

After all people present at the public hearing were given an opportunity to speak, the hearing record was left open for two weeks until noon on May 11, 2000 for receipt of written comments. The following exhibits were received while the record was open.

Exhibit 52. May 2, 2000 e-mail from Carol Kratz to Jim Haertel, BWSR supporting the MCWD boundary change petition.

Exhibit 53. May 5, 2000 letter from Bruce Malkerson, LMRWD Counsel to Ron Harnack, BWSR forwarding a three ring binder of LMRWD post-hearing memorandum including exhibits A-J. Note: Exhibits G and H were not included and forwarded separately on May 8, 2000 from Dennis Larson, MnDOT.

Exhibit 54. May 7, 2000 e-mail from Mike Andert, Jim Haertel, BWSR supporting MCWD boundary change petition.

Exhibit 55. May 9, 2000 testimony from Dennis Larson, MnDOT including Maps A-D. This exhibit is similar to Exhibit 43 with typographical errors removed.

Exhibit 56. May 9, 2000 letter from Thomas Holtzleiter to Jim Haertel, BWSR supporting the MCWD boundary change petition.

Exhibit 57. Citizen Petition to Preserve Camp Coldwater and Coldwater Spring supporting the MCWD boundary change petition including approximately 200 petitioner signatures.

Note: this exhibit is additional to Exhibit 50, this exhibit is not an original rather it is a photocopy, signatures have not been verified and duplicate signatures have not been checked for.

Exhibit 58. "Minnehaha Creek Watershed District Bluff Area Summary Report" prepared by Kelton Barr Consulting, Inc., dated April 2000, including 9 tables, 36 figures and 7 appendices.

Exhibit 59. May 10, 2000 memorandum from BWSR Metro Region to BWSR Metro Water Planning Subcommittee supporting the LMRWD boundary change petition in the contested areas.

Exhibit 60. May 10, 2000 request for continuance by C. Charles Caruso, Assistant Regional Counsel, U.S. Department of Veterans Affairs.

Exhibit 61. May 5 and 10, 2000 City of Minneapolis Resolution 00062 supporting the MCWD boundary change petition for Mississippi River drainage area.

Exhibit 62. May 11, 2000 letter from Jan Dalsin to BWSR supporting the MCWD boundary change petition.

11. **Board Staff Report.** The Board's Metro Region staff report dated May 10, 2000 (See Exhibit 59), recommended the Lower Minnesota River Watershed District boundary change petition be approved and the Minnehaha Creek Watershed District boundary change petition be approved only in the "uncontested" areas where the two petitions did not overlap.
12. **Metropolitan Water Planning Subcommittee.** The Metropolitan Water Planning Subcommittee met on May 11, 2000 and, based on the oral and written record in this matter, decided the following:
 - A. No city, town or watershed management organization, either Joint Powers Agreement or Watershed District, has jurisdiction over the territory of the Petitioned Area. Therefore, the concurrence requirement of Minn. Stat. § 103B.215, Subds. 2(c) and 4(c) is not applicable.

- B. The Lower Minnesota River Watershed District boundary change should be approved per the Petition (See Exhibit 2) even in the "contested" areas where the Minnehaha Creek Watershed District petitioned for the same areas. The boundary determination is based primarily on the existing surface water drainage of the Petitioned Area, but with consideration given to commonality of land use, ground water flow, parcel configuration, desires of land occupiers, and future storm water drainage projects.
- C. The boundary change is consistent with the purposes and requirements of the Metropolitan Surface Water Management Act, Minn. Stat. § § 103B.201 to 103B.255, and will be for the public welfare and public interest.
- D. The boundary change can be accomplished in conformance with Minn. Stat. § 103B.225 since the Petitioned Area is not within a watershed management organization. The boundary change does not affect the benefits or damages for any previously constructed improvements by a watershed district.
- E. Due to the importance of ground water and the paramount importance of the protection of Camp Coldwater Spring, the Lower Minnesota River Watershed District should work cooperatively with the Minnehaha Creek Watershed District to protect this valuable resource. Further, the two watershed districts should coordinate to resolve together any possible adverse impacts of the Highways 55 and 62 interchange project, however, it is noted that MnDOT has incorporated into their design plans the recommendations contained in the Kelton Barr report (See Exhibit 58) to minimize such potential impacts.
- F. The Lower Minnesota River Watershed District Watershed Management Plan must be amended to include the new additional areas. A draft plan amendment should be submitted within one year of the date of this order and the plan amendment should be approved within two years of the date of this order.

CONCLUSIONS

1. The Petition for boundary change of the Lower Minnesota River Watershed District is valid in accordance with Minn. Stat. § 103B.215.
2. All relevant substantive and procedural requirements of law and rule have been fulfilled.
3. The Board has proper jurisdiction in the matter of ordering a watershed district boundary change.
4. The Lower Minnesota River Watershed District boundary change should be approved per the Petition (See Exhibit 2) even in the "contested" areas where the Minnehaha Creek Watershed District petitioned for the same areas. The boundary determination is based primarily on the existing surface water drainage of the Petitioned Area, but with consideration given to commonality of land use, ground water flow, parcel configuration, desires of land occupiers and future storm water drainage projects.
5. No city, town or watershed management organization, either Joint Powers Agreement or Watershed District, has jurisdiction over the territory of the Petitioned Area. Therefore, the concurrence requirement of Minn. Stat. § 103B.215, Subds. 2(c) and 4(c) is not applicable.
6. The boundary change is consistent with the purposes and requirements of the Metropolitan Surface Water Management Act, Minn. Stat. § § 103B.201 to 103B.255, and will be for the public welfare and public interest.

7. The boundary change can be accomplished in conformance with Minn. Stat. § 103B.225 since the Petitioned Area is not within a watershed management organization. The boundary change does not affect the benefits or damages for any previously constructed improvements by a watershed district.
8. Due to the importance of ground water and the paramount importance of the protection of Camp Coldwater Spring, the Lower Minnesota River Watershed District should work cooperatively with the Minnehaha Creek Watershed District to protect this valuable resource. Further, the two watershed districts should coordinate to resolve together any possible adverse impacts of the Highways 55 and 62 interchange project, however, it is noted that MnDOT has incorporated into their design plans the recommendations contained in the Kelton Barr report (See Exhibit 58) to minimize such potential impacts.
9. The Lower Minnesota River Watershed District Watershed Management Plan must be amended to include the new additional areas. A draft plan amendment should be submitted within one year of the date of this order and the plan amendment should be approved within two years of the date of this order.

ORDER

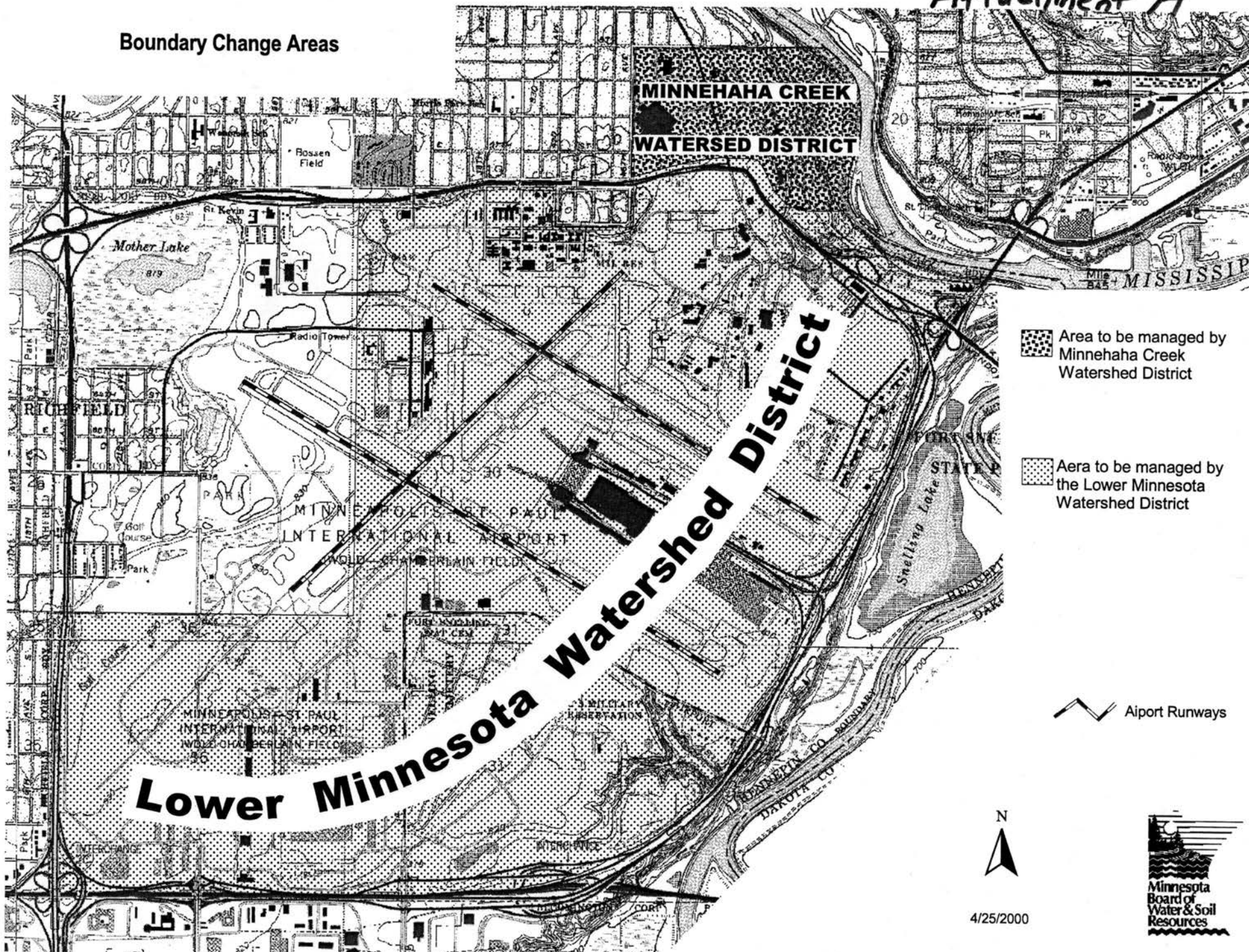
1. The Board hereby orders that the boundary of the Lower Minnesota River Watershed District is changed to enlarge the District per their April 24, 2000, boundary change Petition (See Exhibit 2) with the legal boundary as specified in Exhibit B of said Petition attached and made a part of this order hereof, and generally depicted on the map labeled "Attachment A" attached and made a part of this order hereof.
2. The Lower Minnesota River Watershed District Watershed Management Plan must be amended to include the new additional areas. A draft plan amendment must be submitted within one year of the date of this order and the plan amendment must be approved within two years of the date of this order.
3. Due to the importance of ground water and the paramount importance of the protection of Camp Coldwater Spring, the Lower Minnesota River Watershed District should work cooperatively with the Minnehaha Creek Watershed District to protect this valuable resource. Further, the two watershed districts should coordinate to resolve together any possible adverse impacts of the Highways 55 and 62 interchange project, however, it is noted that MnDOT has incorporated into their design plans the recommendations contained in the Kelton Barr report (See Exhibit 58) to minimize such potential impacts.

Dated this 24th day of May, 2000.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: _____
Kathleen M. Roer, Chair

Boundary Change Areas



**LMRWD Boundary Change Petition
Petitioned Area Boundary Description**

1. Property Located Generally South Of Highways 62 And 55

Beginning at a point on the existing boundary of the Lower Minnesota River Watershed District, said point being at the point of intersection of the centerline of Hennepin County State Aid Highway No. 1 with the north line of Section 1, Township 27 North, Range 24 West, said north line of Section 1 also being a northerly boundary line of the City of Bloomington;

Thence westerly along said north line of Section 1 and said northerly boundary line of the City of Bloomington to an intersection with the southerly extension of the most northerly easterly right of way line of State Trunk Highway No. 77, as the same is located in the Southwest Quarter of the Southwest Quarter of Section 36, Township 28 North, Range 24 West;

Thence northerly along said southerly extension and most northerly easterly right of way line of State Trunk Highway No. 77 to the north line of said Southwest Quarter of the Southwest Quarter of Section 36;

Thence continuing northerly along said easterly right of way line of State Trunk Highway No. 77 as the same is located in the Northwest Quarter of said Southwest Quarter of Section 36 and the Northwest Quarter of said Section 36 to the south line of Section 25, Township 28 North, Range 24 West;

Thence easterly along said south line of Section 25 to the southeast corner of said Section 25;

Thence northerly along the east line of said Section 25 to the northeast corner of said Section 25, also being the southeast corner of Section 24, Township 28 North, Range 24 West;

Thence northerly along the east line of said Section 24 to the southerly right of way line of Hennepin County State Aid Highway No. 62, as the same is located in said Section 24;

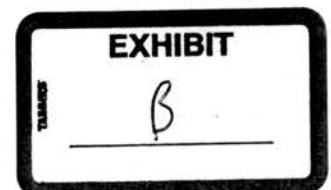
Thence easterly along said southerly right of way line of Hennepin County State Aid Highway No. 62 to the westerly right of way line of 42nd Avenue South;

Thence southerly along said westerly right of way line of 42nd Avenue South to the southerly right of way line of East 59th Street;

Thence easterly along said southerly right of way line of East 59th Street to the easterly right of way line of 46th Avenue South;

Thence northerly along said easterly right of way line to said southerly right of way line of Hennepin County State Aid Highway No. 62;

Thence easterly along said southerly right of way line of Hennepin County State Aid Highway No. 62 to the westerly right of way line of State Trunk Highway No. 55;



Thence southerly and southeasterly along said westerly right of way line of State Trunk Highway No. 55 to the southeasterly right of way line of Bloomington Road, also known as Hennepin County Road No. 204;

Thence northeasterly along the northeasterly extension of said southeasterly right of way line of Bloomington Road to the centerline of the Mississippi River;

Thence southeasterly along said centerline of the Mississippi River to a point on said existing boundary of the Lower Minnesota River Watershed District, said point being at the intersection of said centerline of the Mississippi River with the centerline of State Trunk Highway No 5;

Thence southwesterly and westerly along said centerline of State Trunk No. 5 and said existing boundary of the Lower Minnesota River Watershed District to its intersection with the north line of Section 6, Township 27 North, Range 23 West, also being a north line of the City of Bloomington;

Thence westerly along said north line of Section 6 and said a north line of the City of Bloomington and said existing boundary of the Lower Minnesota River Watershed District to the northwest corner of said Section 6, also being the northeast corner of said Section 1, Township 27 North, Range 24 West;

Thence westerly along the north line of said Section 1 and said a north line of the City of Bloomington and said existing boundary of the Lower Minnesota River Watershed District to the point of beginning.

2. Minnesota Department Of Transportation Right-Of-Way

Beginning at the intersection of the east boundary of 46th Avenue South, the same being the boundary line between the City of Minneapolis and Fort Snelling Reservation, with the northerly boundary of State Trunk Highway 62;

Thence easterly along said northerly boundary of State Trunk Highway 62 and its easterly extension to the easterly boundary of State Trunk Highway 55, the same being westerly boundary of the United States Bureau of Mines;

Thence southerly and easterly along said easterly boundary of State Trunk Highway 55 for 1115 feet, more or less, to the southeast boundary of said United States Bureau of Mines;

Thence easterly along said easterly boundary of State Trunk Highway 55 and its easterly extension to the centerline of the Mississippi River;

Thence southerly and easterly along the centerline of the Mississippi River to the southerly boundary of Bloomington Road extended;

Thence southwesterly in Township 28 North, Range 23 West, 4th Principal Meridian on the southerly boundary of Bloomington Road extended to the intersection of the westerly boundary of State Trunk Highway 55;

Thence northwesterly in Township 28 North, Range 23 West, 4th Principal Meridian along the westerly boundary of State Trunk Highway 55 to its intersection of the southerly boundary of State Trunk Highway 62;

Thence westerly along the southerly boundary of State Trunk Highway 62 to the easterly boundary of 46th Avenue South, the same being the boundary line between the City of Minneapolis and Fort Snelling Reservation;

Thence northerly along said easterly boundary of 46th Avenue South, the same being the boundary line between the City of Minneapolis and Fort Snelling Reservation, to its intersection with the northerly boundary of State Trunk Highway 62, and there terminating.

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NEW BUSINESS

**4. Watershed District Planning Grants
DECISION**

Watershed District Planning Grants

Purpose – Staff are requesting the Board to endorse the use of Local Water Resource Protection and Management Program monies to provide planning grants to watershed districts that will be revising their comprehensive plans.

Background – BWSR has a long history of assisting local governments with grants to support the development of comprehensive water management plans. The Board's authority to award planning grants can be found under 1989, Minnesota Statutes 103B.3361, LOCAL WATER RESOURCES PROTECTION AND MANAGEMENT PROGRAM. By definition counties, watershed districts, and watershed management organizations and their associated plans are included.

Planning grants were initially awarded to counties for preparation of Comprehensive Local Water Plans between 1989 and 1992. In the mid 1990's the Board expanded these planning assistance grants to watershed management organizations in the seven county metropolitan area that were revising water management plans to meet second generation plan requirements. The grants that have been awarded to date have been for up to \$15,600 for each plan and have required a 1:1 local cash or in-kind match.

Currently BWSR is beginning to work with watershed districts to revise their watershed plans in accordance with new planning guidelines that the BWSR adopted in June of 1999. Watershed districts in the Red River Valley are currently eligible to receive planning assistance grants through the Red River Flood Damage Reduction Mediation Agreement.

Proposal – Staff are proposing that the BWSR continue its tradition of assisting local governments in their water planning efforts by expanding its current policy regarding water planning grants to watershed districts revising plans pursuant to 103D.

Watershed districts receiving the grant would be required to submit a workplan and budget and comply with the watershed district comprehensive plan guidelines adopted by the Board in 1999. Individual grant amounts would not exceed \$15,600 and would require a 1:1 local cash or in-kind match.

There would be approximately 20 watershed districts affected by this decision. Based on the current funding level, which was established when the Board approved the metro planning grants, BWSR can accommodate starting up to 6 plans per year.

OVERVIEW OF KOOCHICHING COUNTY COMPREHENSIVE WATER PLAN UPDATE

Introduction

On May 4, 1999, the Koochiching County Board resolved to update their Comprehensive County Water Plan. The county contracted with a consultant to complete the County Water Plan Update (Update). The consultant worked closely with the Koochiching Environmental Services Division (ESD) and Koochiching Soil and Water Conservation District (KSWCD) to complete the Update.

A preliminary draft of the Update was circulated in December 1999. The Minnesota Department of Health and Minnesota Pollution Control Agency submitted preliminary comments. These written comments were incorporated into the final draft.

A public hearing on the Update was held on March 7. Subsequently, the Update was forwarded to BWSR for the final 90-day review period.

Koochiching County is located in extreme north-central Minnesota, approximately 300 miles north of the Twin Cities. It is the second largest county in Minnesota with around 2,010,000 acres. Of that, 67% is currently jurisdictional wetland. Currently, over 98% of the original wetlands exist in Koochiching County.

Other significant numbers include: 73% of the land is publicly owned and the state owns 1,092,000 acres in Koochiching County. Only 13% of the county is agricultural land. The other lands are (mostly) forested. Since there are under 13,000 people residing in the county, the urban land component is quite small.

Nearly all the county drains northward into the Rainy River and Rainy Lake. In fact, besides Rainy Lake, there are only 10 smaller lakes in the county.

Staff Review

Koochiching County has developed an accurate and realistic Update. In the last few years, the County has attained greater personnel stability in their ESD and SWCD. This has allowed the staff and County Commissioners to plan proactively for the water resources in the County.

High priority goals listed in the Update are:

- administrate the water plan
- update individual sewage treatment systems,
- administer the Wetland Conservation Act, and erosion and sediment control activities.

Moderate and low priority goals are also described in the Update.

The County received preliminary comments from the MPCA and the MDH. The MPCA offered many suggestions, both detailed and broad. RiverWatch, Citizen Stream Monitoring, Rainy Lake On Site Septic Project, detailed schedule for projects and the Rainy Basin Plan are examples. The County has incorporated some of the comments. Dedicating significant County resources to the Basin Plan may not be resolved for this Update.

The MDH focused their comments on Wellhead Protection, Source Water Assessments, and Data Reporting. The county has incorporated the MDH ideas into the revised draft.

BWSR commented on including the required amendment and effective date language. We also asked the County to document a schedule of projects for the Update. The County and BWSR agreed that the work plan items would be specifically identified in Koochiching County's yearly work plan.

DNR will most probably forward comments for the final draft. Since local DNR representatives were active in the Update development, I foresee no great concern.

Since this is a second-generation water plan, the third generation BWSR policy will not apply. However, this Update is addressing the highest needs in the County.

The BWSR Ad Hoc Committee meeting is proposed for 1:00 p.m. on July 6 at the BWSR Office in Duluth. Hopefully, the Update will then be forwarded to the full board for approval at the July 26 meeting.