

Minnesota Board of Water and Soil Resources. Minutes.

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Version 3
August 20, 2018

BOARD OF WATER AND SOIL RESOURCES
COUNTRY INN & SUITES
1900 PREMIER DRIVE
MANKATO, MINNESOTA 56001
507-388-8555
WEDNESDAY, JUNE 26, 2002

AGENDA

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

Pledge of Allegiance

Adopt Agenda

Minutes of May 22, 2002

Open Mike (10-minute agenda time, two-minute limit/person)

Reports

- Chair – Lee Coe
- Executive Director – Ron Harnack
- Dispute Resolution Committee – Lee Coe
- Wetlands Committee – Darrell Bruggman
- Cost-Share/Soil Conservation Committee – Dwain Otte
- Education and Public Relations Committee – Paul Krabbenhoft
- Administrative Advisory Committee – Lee Coe

Agency Reports

- Department of Agriculture – Sharon Clark
- Department of Health – Dan Wilson
- Department of Natural Resources – Wayne Edgerton
- Minnesota Extension Service – Jim Anderson
- Pollution Control Agency – Lisa Thorvig

Committee Recommendations

Administrative Advisory Committee

1. Phase 2 Budget Reduction Options – DECISION

Northern Subcommittee

1. Aitkin County Comprehensive Local Water Plan – Keith Grow – DECISION

2. Carlton County Comprehensive Local Water Plan – Mark Nelson – DECISION

3. Cook County Request for Extension of Comprehensive Local Water Plan - Mark Nelson – DECISION

Cost-Share Committee

1. Recommendations for EQIP Subcommittee - DECISION

New Business

1. Wetland Conservation Act (WCA) Rule – John Jaschke and Dan Eklund – DECISION

2. Area II Work Plan and Budget for FY03 – Tabor Hoek – DECISION

3. CREP Grants to SWCDs – Kevin Lines – DECISION

4. FY03 SWCD Grants – Wayne Zellmer – DECISION

5. Feedlot Cost-Share Policy – Wayne Zellmer - DECISION

6. Public Hearing on Petition for a Boundary Change for Browns Creek and Valley Branch Watershed Districts – Ron Harnack – DECISION

7. Delegation of Authority for Watershed District Hearings – Ron Harnack - DECISION

Advisory Comments

- Association of Minnesota Counties (AMC) – Dave Weirens
- Minnesota Association of Conservation District Employees (MACDE) – Tim Gieseke
- Minnesota Association of Soil and Water Conservation Districts (MASWCD) – LeAnn Buck
- Minnesota Association of Townships (MAT) – Sandy Hooker
- Minnesota Association of Watershed Districts (MAWD) – Ray Bohn
- Natural Resources Conservation Service (NRCS) – Tim Koehler

12:00 p.m. Adjourn for lunch break

12:30 – 3:00 p.m. Convene as a Committee of the Whole: Funding for Water Resources and Conservation Programs

Upcoming Meetings

- MACDE Summer Session, June 26-28, Alexandria
- MAWD Summer Tour, June 27-29, Washington County
- BWSR Tour and Meeting, July 24-25, Kandiyohi County
- BWSR Meeting, August 28, St. Paul
- BWSR Meeting, September 25, in conjunction with the Local Water Planners Conference, September 23-25, Hinckley

Minnesota Board of Water & Soil Resources

Central Office: One West Water Street ▪ Suite 200 ▪ Saint Paul, MN 55107 ▪ Phone: (651) 296-3767 ▪ Fax: (651) 297-5615

DATE: June 17, 2002

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

FROM: Ronald D. Harnack, Executive Director

SUBJECT: June 25th CREP Celebration and June 26th BWSR Meeting

"A Legacy Celebration" will be held on Tuesday, June 25 in Mankato to celebrate reaching the Minnesota River Conservation Reserve Enhancement Program (CREP). RSVPs were required by June 14, the $20 registration fee has been submitted if you responded before that date. If you did not respond and would like to attend, please call Mary Jo Anderson (651-297-4290) immediately.

Bus transportation will be provided to the dedication site. Buses will leave from the Mankato Midwest Wireless Civic Center/downtown Mankato, One Civic Center Plaza, [507-389-3000] at 3:45 p.m. The site dedication is at 4:00 p.m. (at the Steve Hiniker property, one mile north of Mankato on Hwy. 169). Dinner and program will begin at 5:30 p.m. (emceed by Ron Shara, Outdoors Writer and TV Host). Dinner is business casual (bring appropriate rain gear in case of rain at the site dedication).

The Board of Water and Soil Resources will meet on Wednesday, June 26, at 9:00 a.m. at the Country Inn & Suites in Mankato. The hotel is near the intersection of Highway 22 and Premier Drive. From Highway 14 - take Highway 22 north exit. Travel north .25 mile. Turn east on Premier Drive.

A block of sleeping rooms have been reserved for the night of Tuesday, June 25, at the Country Inn & Suites in Mankato. Attached is the list of room reservations. The rooms have been direct billed (you do not pay for them), unless noted on the rooming list. If you do not need a room reservation, please contact Mary Jo Anderson (651-297-4290) immediately, to cancel the reservation. A complimentary continental breakfast is included with the room reservation.

The following information pertains to the agenda items:

Committee Recommendations

Administrative Advisory Committee

1. Phase 2 Budget Reduction Options – See attached – DECISION

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

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

Duluth
394 S. Lake Avenue
Room 403
Duluth, MN 55802
phone (218) 723-4752
fax (218) 723-4794

Fergus Falls
413 W. Stanton Avenue
Fergus Falls, MN 56537
phone (218) 736-5445
fax (218) 736-7215

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

New Ulm
261 Highway 15 S.
New Ulm, MN 56073
phone (507) 359-6074
fax (507) 359-6018

Rochester
40 16th Street S.E.
Suite A
Rochester, MN 55904
phone (507) 285-7458
fax (507) 280-2875

Saint Paul
One West Water Street
Suite 250
Saint Paul, MN 55107
phone (651) 282-9969
fax (651) 284-0000

Northern Sub-committee

1. Aitkin County Comprehensive Local Water Plan – Aitkin County has completed the update of their third generation water plan. On June 14, 2002, Steve Hughes, Aitkin County Water Plan Coordinator, and Dick Lewis, Aitkin County taskforce member, met with the BWSR North Region Sub-committee to review the water plan update and prepare a recommendation to the full Board on June 26, 2002. Enclosed is an, overview, and copy of the Order document. DECISION

2. Carlton County Comprehensive Local Water Plan – Mark Nelson – DECISION

3. Cook County Request for Extension for Comprehensive Local Water Plan Extension – This will allow the County time to participate in the various planning efforts now ongoing in the two major basins of the County – Lake Superior and Rainy River – and allow the local citizen team to integrate the basin planning efforts into a countywide revision in 2004. DECISION

Cost-Share Committee

1. Recommendations for EQIP Subcommittee – The 2002 Farm Bill is authorized to bring to Minnesota many millions of conservation dollars. Funds not committed to projects soon are at high risk of having to be returned. There is a strong concern that current levels of LGU staffing will not be able to respond to the likewise anticipated additional technical assistance needed.- DECISION

New Business

1. Wetland Conservation Act (WCA) Rule - The Board will be requested to pass a resolution to authorize the Executive Director to sign an order adopting the WCA rules. As a result of some changes made through the public hearing process, the Administrative Law Judge has determined that the proposed rules be adopted based on the following conclusions:
   a) The Board gave proper notice of this rulemaking hearing.
   b) The Board has fulfilled the procedural requirements of Minn. Stat. § 14.14, subds. 1, 1a, and 2, and all other procedural requirements of law or rule.
   c) The Board has demonstrated its statutory authority to adopt the proposed rules, and has fulfilled all other substantive requirements of law or rule within the meaning of Minn. Stat. §§ 14.05, subd. 1, 14.125, and 14.50 (i) and (ii).
   d) The Board has demonstrated the need for and reasonableness of the proposed rules by an affirmative presentation of facts in the record within the meaning of Minn. Stat. §§ 14.14, subd. 2 and 14.50 (iii).
   e) The additions and amendments to the proposed rules that were suggested by the Board after publication of the proposed rules in the State Register on February 11, 2002, do not result in rules that are substantially different from the proposed rules as published in the State Register within the meaning of Minn. Stat. §§ 14.05, subd. 2 and 14.15, subd. 3.
   f) Any Findings that might properly be termed Conclusions and any Conclusions that might properly be termed Findings are hereby adopted as such.
   g) A Finding or Conclusion of need and reasonableness in regard to any particular rule subsection does not preclude and should not discourage the

Board from further modification of the proposed rules based upon an examination of the public comments, provided that no substantial change is made from the proposed rules as originally published, and provided that the rule finally adopted is based upon facts appearing in the record.

Attached are:
1. Resolution for signature (1 page)
2. Executive summary of rule changes (2 pages)
3. Schedule for rule adoption (3 pages)
4. ALJ Report (19 pages) – *see BWSR website*
5. Rule to be adopted showing changes (as compared to the propsed rule) made as part of the public hearing process (48 pages) – *see BWSR website*

John Jaschke and Dan Eklund will present this item. DECISION

2. Area II Work Plan and Budget for FY03 - Area II Riverbasins Inc. will be seeking approval of their work plan and budget for FY 03. In recent years the grant for Area II has been $189,000 for office operations and projects. With the budget reductions being made to state funding, the Area II grant from BWSR will be $140,000 for office operations and zero for project funds. The nine-member counties match this grant at a 75:25 ratio. Other state funds for projects, via past bonding appropriations, have been fully encumbered. Lazarus Creek Flood control project was recently vetoed for the second time. Area II will be looking for future project and administrative funds to continue it's mission of flood control in southwestern Minnesota. BWSR staff recommends approval of the work plan and administrative grant of $140,000 for FY 2003. DECISION

3. CREP Grants to SWCDs – See attached – DECISION

4. FY03 SWCD Grants - The annual allocations to SWCDs for Cost Share Base Grants, Feedlot Water Quality Management Grants, General Services Grants, and RIM Reserve Services Grants, are recommended by the Cost Share Committee for approval. The enclosed information provides detail of recommended allocations by grant program. DECISION

5. Feedlot Cost Share Policy - The Cost Share Committee directed staff to collect, examine and clarify current feedlot cost share policy. This policy also includes new standards for feedlot roofs and feedlot relocations. DECISION

6. Public Hearing on the Petition for a Boundary Change for Browns Creek and Valley Branch Watershed Districts – A joint petition to change the boundary of the Browns Creek Watershed District and the Valley Branch Watershed District was filed with the Board on May 22, 2002. The boundary change petition is the result of two foot contour mapping recently becoming available and due to the extensive subdividing of large parcels that has occurred since the districts were established. Staff find the petition to be complete and have coordinated with the Metro Water Planning Subcommittee and other pertinent parties such that a hearing should be ordered per the attached draft order. DECISION

7. Delegation of Authority for Watershed District Hearings - Presently when a watershed district petition is received and a public hearing is required, the board

orders the hearing. In most cases the board has no choice in the matter since a hearing is mandated by law. Oftentimes the board orders a hearing and directs the Executive Director to establish the date. For this reason, due to timing issues with publishing the legal notice for the public hearing, and for certain administrative efficiencies, it seems prudent to delegate the authority for setting such hearings to the Executive Director, per the attached draft order. DECISION

If you have any questions regarding the agenda, please feel free to give me a call. If you have any questions regarding accommodations for the CREP Celebration and Board meeting, please contact Mary Jo Anderson at 651-297-4290. I look forward to seeing you in Mankato!

BOARD OF WATER AND SOIL RESOURCES
COUNTRY INN & SUITES
1900 PREMIER DRIVE
MANKATO, MINNESOTA 56001
507-388-8555
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Dispute Resolution Report
June 14, 2002

There are presently eight appeals pending. All of the appeals involve WCA.

The most recent appeal is of a replacement plan in the City of Albertville in Wright County. The appeal is in abeyance since it has been remanded to the city because a TEP was not held.

There are two appeals of a replacement plan approval in Brooklyn Center for a highway project. The Shingle Creek WMO made the WCA decision. Two appeals have been filed on the project. Both appeals have been accepted, a pre-hearing was held and a hearing will be scheduled soon.

There is an appeal of the Board's remand to Mower County regarding a landfill site. Under remand, the county denied an application for no-loss. The appeal has been accepted and a pre-hearing was held on April 11. The appeal is in abeyance since the appellants have filed a new WCA application and are waiting for a decision on the new application before proceeding with the appeal.

Another appeal is of an exemption determination in Hennepin County. The appeal involves a horse barn that is already built. The appeal has been accepted and a hearing was scheduled, but the briefing schedule is now on hold since a replacement plan application has been approved.

Another appeal involves the Board's remand to McLeod County. Under remand, the county approved an agricultural exemption. The appeal has been accepted and a pre-hearing is scheduled for June 25.

Another appeal is of a replacement plan denial in Stearn's County. The appeal involves a single family dwelling site near the Mississippi River. The appeal has been accepted and a pre-hearing is scheduled for June 25.

Another appeal involves a wetland banking site in Chisago County. The appeal has been accepted and is being held in abeyance to see how the site looks this summer.

Committee Recommendations

Administrative Advisory Committee

1. Phase 2 Budget Reduction Options
   DECISION

Administrative Advisory Committee Recommendations

RE: Phase 2 Budget Reduction Options

The committee met by conference call on Monday, June 10, 2002 to review ways and means of addressing the Phase 2 general fund budget reductions and the wetland banking road replacement staffing budget issues related to the veto of the funding.

The Phase two budget reduction for BWSR will be ~ $300K, hopefully a one time, depending on the way the state comes out of the slump. In addition with the veto of the wetland road replacement $'s has created a short term funding problem that we need to address for the remainder of this biennium. Some of the Phase 1 & 2 budget issues, in the short run may be able to be addressed through interagency agreements that are being pursued. Others as discussed with the Phase 1 reductions will need to be addressed through short term and long-term program reforms. These issues will be addressed in the biennial budget process in next several months.

We have few options for addressing these reductions in the short term. The hiring freeze is one option that has not proven very significant for BWSR, as we do not see much turn over in staff. Second are contract reductions and we took all our general fund contracts as reductions for Phase One

It is recommended that the Board endorse the following recommendations address the Phase 2 budget reductions.

1) Take $ 300K from $675K in the rollover account for the Phase 2 general fund budget reduction. This will **not** affect the base of the cost-share program for the future. Under Phase 1 we did say we would take from rollover as needed to meet the reductions. Although, the Phase 1 resolution did not require us to take that action, the Committee recommends that we continue that position for Phase 2.

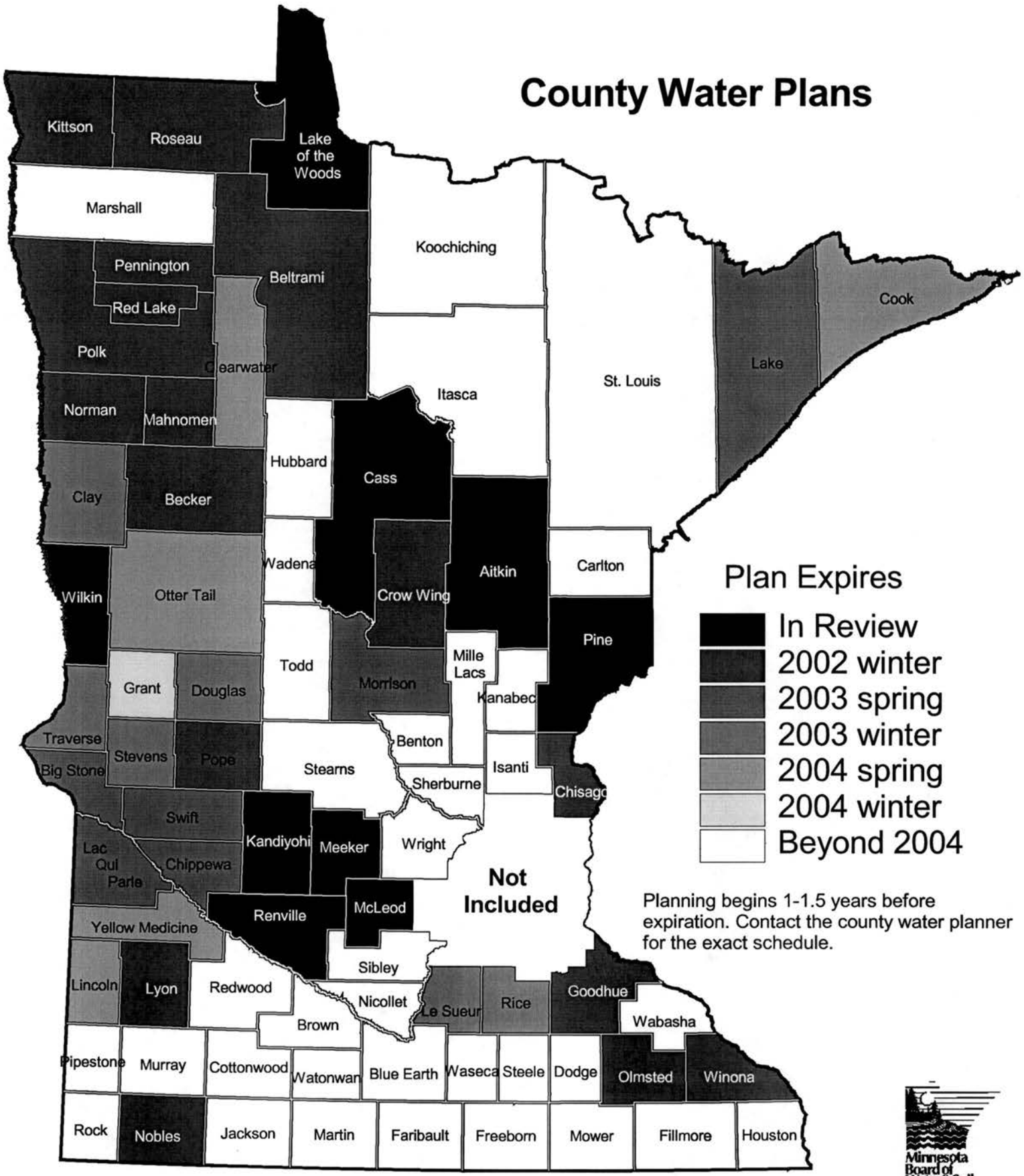
2) To address the wetland banking staff issue for the remainder of the biennium the Committee recommends that we take an additional $75K from General Services to cover Jim B's salary and expenses in support of the modernization of the SWCD law. The reduction to General Services would be offset $ 75K from the rollover balance. The current funding authorizations do allow the Board to use some of the General Services $'s for activities that benefit SWCD's. This has been used with great discretion over time and this recommendation is consistent with current policy of the Board.

These adjustments are only **one time** adjustments and **do not impact the base level of these grant accounts**. We will need to address the wetland road replacement issue and other program reforms in programs as part of the biennial budget development in the next few months.

Alternatives to address the wetland banking issue would be to immediately stop all activities related to the wetland banking program. This would put existing partially completed and contracted/granted projects at risk. Staff is currently assessing the specific impact of the budget veto to local governments and will communicate that information to the counties, cities and townships within the next week.

The Committee asks the Board's endorsement of the recommendations.

County Water Plans



Planning begins 1-1.5 years before expiration. Contact the county water planner for the exact schedule.

map updated: June, 2002

Minnesota Board of Water & Soil Resources
WWW.BWSR.STATE.MN.US

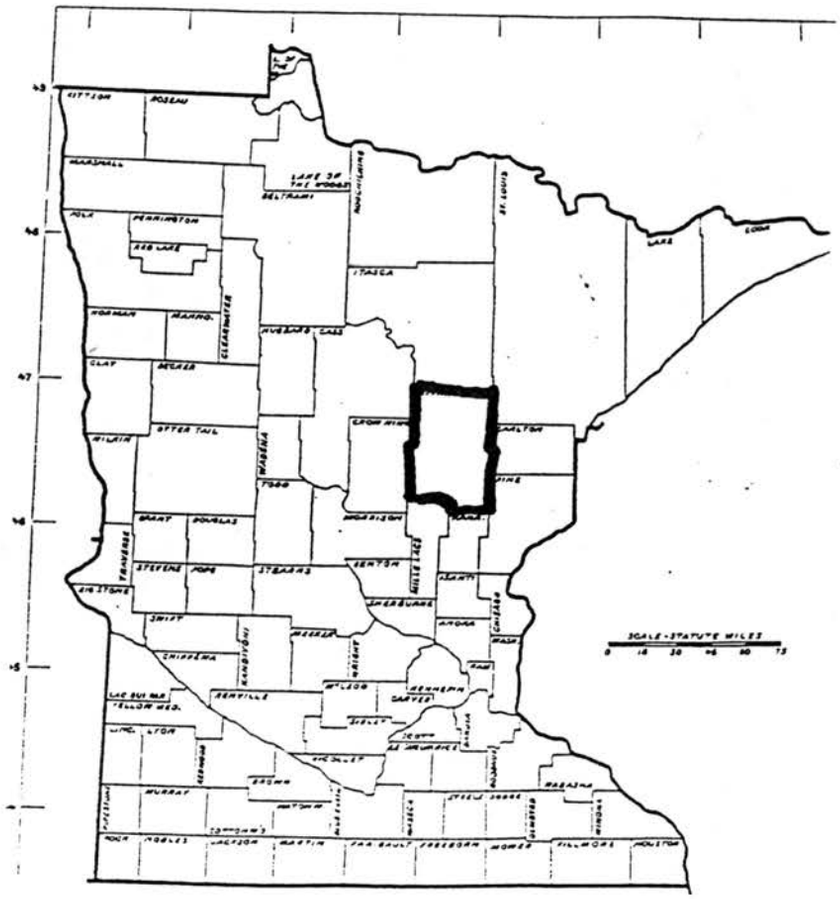
Committee Recommendations

Northern Subcommittee

1. Aitkin County Comprehensive Local Water Plan
   DECISION

Physical Environment

Aitkin County is located in the northeastern part of central Minnesota. The county seat, Aitkin, is approximately 126 miles north of Minneapolis-St. Paul and 87 miles west of Duluth. Aitkin County has an area of about 1.2 million acres of which 113,000 acres is surface water. Land ownership in the county is approximately 46 percent private, 34 percent state, 19 percent county, and 1 percent federal. The county's population is about 15,300 (2000 data).



LAND USE

Approximately 90,000 acres is currently in cropland of which the principal crops are hay, small grains and corn. Specialty crops such as potatoes, strawberries and wild rice are grown in the county; Aitkin is the largest wild rice producing area in the state with approximately 8,000 acres of paddies.

There are 580 farms (155,000 acres) in the county with an average size of 267 acres. Beef cattle and hay constitutes the largest single source of farm income. Of the 580 farms, approximately 51 are dairy farms, 225 beef, 17 hog, 16 sheep, and 24 poultry. These numbers represent about a 20% overall decline in agricultural activities since 1990.
It is speculated that agricultural downturns may slow somewhat but that may be dependant on prices producers receive for their products.

Privately owned lands comprise 46 percent of Aitkin County, with approximately one-fourth in some form of agricultural usage (not including forestry activities). About 65 percent of the county is forestland. Of this forested area, approximately 40 percent are under-stocked cover types (marsh, bog, brush land). The other major cover types include: aspen-birch, northern and lowland hardwoods, and conifers.

EXECUTIVE SUMMARY

Aitkin County's first Generation Water Plan was adopted in July of 1990. The second Generation Water Plan made significant changes and improvements and was adopted in 1995. This third Generation Water Plan started out as a minor revision and has evolved into a near total re-write. This plan will be in effect from July 2002 until July 2007 (estimated dates).

The Aitkin County Water Planning Task Force mission statement is: ***"It is the mission of the Aitkin County Water Planning Task Force to promote responsible stewardship of water and land resources through education, incentives, and collaboration with individuals, groups and government entities."***

One issue that necessitated a more extensive re-write is the availability and volume of data in 2002 that was not even imagined in 1990.

The Internet contains large quantities of water quality data, aerial photographs, and research results. Some of the applicable Internet sites will be referenced as part of this document. Where possible maps, charts and tables will replace or accompany written descriptions. This will be a concise, easy to understand and user-friendly Water Plan.

The Water Planning Task Force has been a success in Aitkin County. Task Force involvement and interest remains high and is a key factor in our continued success.

We conduct regular monthly meetings and enjoy input from a good cross-section of citizens. In the past 18 months the Task Force adopted a set of by-laws and mission statement. This plan's emphasis will continue to be efforts that make a tangible, measurable difference in land and water use issues in Aitkin County. The Water Plan funding does not get lost in someone's larger budget therefore subsidizing activities that would or should be getting done anyway. Water Plan funds are new and separate and are jealously guarded and used for innovative projects. We take pride in projects like Green Shores that protect water quality through low cost methods. Incentive versus

regulation, voluntary rather than mandatory, these projects do the most for the effort and dollars expended. We are developing a Conservation Easement Program that will protect high value properties that are currently being compromised by rapidly increasing lakeshore values and development. We help fund and support the County's Shoreland Management Ordinance and the one to one contacts with lakeshore property owners. Native vegetation saved, soils kept in place and education of shoreland stewards are benefits of these personal contacts.

Partial list of Water Planning Accomplishments 1990 through 2001

1. Education
    a. Assisted 24 Lake Associations w/70 informational newsletters
    b. Sent county-wide mailings (16000 recipients) three separate years
    c. Participated in contractor and real estate agent training
    d. Radio and newspaper articles
    e. Best management practices guidebooks
    f. User's Guide to Shoreland Management
2. Implementation
    a. Created Green Shores buffer program
    b. Maintained a 25 member Water plan Task Force
    c. Working with four schools to implement Riverwatch
    d. Established baseline water quality data on 36 lakes
    e. Averaged 250 contacts per year re: individual shoreland management
    f. Fiscal agent and staffing of the Big Sandy Watershed CWP
    g. Promotion of Forest Stewardship Planning
    h. Promote and assist with shoreline re-vegetation
    i. Sampling of lake bottom sediments for phosphorus recycling
    j. Encourage and fund ISTS upgrade program
    k. Fund the sealing of abandoned wells
    l. Monitor water levels (lakes and groundwater)
    m. Initiate a Conservation Easement program
    n. Assisting Mille Lacs Watershed project
    o. Received and administered several implementation grants
3. Ordinances
    a. Assist landowners with feedlot registration and information
    b. Shoreland ordinance updates
    c. Wetland Conservation Act support and assistance
    d. Participate in the Comprehensive Land Use Plan

4. Coordination
    e. Work with Federal, State and County agencies
    f. Geographic Information System

Prioritized activities for the next five years:

-Continue a strong LCWP Task Force and expand roles
-Increase public education/property owners/shoreland
-County needs to complete the County Wetland Plan
-Do what the plan says--implement
-Continue funding projects
-Enforcement of Shoreland Ordinance (Zoning/Attorney)

-Maintain autonomy and a strong task force with diverse interests
-Education
-On the ground projects that make a measurable improvement
-Support, encourage and promote those groups, activities and agencies that share our goals

To sum up this plan, the focus will be on implementation goals for the next several years. Data will be presented in maps, charts and tables with accompanying narrative as required. Our hope is that this plan will be as marked up, tattered and used as the plans that were distributed in 1990 and 1995.

We move forward as a strong task force with clearly defined and attainable goals.

Thank you.

Steve Hughes
Water Plan Coordinator

OVERVIEW
THIRD GENERATION AITKIN COUNTY COMPREHENSIVE LOCAL WATER PLAN UPDATE
June 2002

Background (Second Generation)

Development of the second-generation local water plan update began December 20, 1994, with the passing of a county resolution. On October 10, 1995, Aitkin County provided the Board of Water and Soil Resources (BWSR) with its final plan. BWSR approved the plan on December 20, 1995 it was in effect until December 31, 2000. On January 2, 1996, the Aitkin County Board of Commissioners approved the plan and began implementation.

Local Comprehensive Water Plan Update (Third Generation)

Aitkin County passed a resolution to update their third-generation plan on October 5, 1999. On December 13, 2000, the BWSR granted an extension to June 30, 2002. After a public information meeting, survey, and series of 23 taskforce meetings, Aitkin County completed the plan and began the preliminary 60-day review on February 20, 2002. On April 23, 2002, Aitkin County conducted a public hearing. The final plan was submitted to BWSR on May 2, 2002. The Aitkin Soil and Water Conservation District was delegated by the County Commissioners to administer the Local Water Plan and the update process in coordination with the Water Planning Taskforce, Agency Advisors and Water Resource Partners.

County Description

Aitkin County is located in the Northeastern part of central Minnesota. The county seat, Aitkin, is approximately 126 miles north of Minneapolis-St. Paul and 87 miles west of Duluth. Aitkin County has an area of about 1.2 million acres of which approximately 50 percent is wetland. Land ownership in the county is approximately 46 percent private, 34 percent state, 19 percent county and 1 percent federal. The County's population is about 15,300.

Approximately 90,000 acres are currently in cropland; the principal crops are hay, small grains and corn. Specialty crops such as potatoes, strawberries and wild rice are grown in the county. Aitkin County is the largest wild rice producing area in the state with approximately 8000 acres. Four major state highways are located in Aitkin County. State Highway 169, 47, and 65, run north and south. Highways 200 and 210 are the major east -west corridor. Surface water is in three main watersheds; St. Croix, Superior, and Mississippi. The Mississippi is the highest priority watershed draining nearly two-thirds of the County.

Plan Update Review

The water plan reflects current conditions and trends within the County. Major trends include population growth, and tremendous developmental pressure particularly in the lakeshore and forested areas. The purchase of recreational parcels between 10 and 100 acres is resulting in land prices doubling. This presents management and regulatory challenges to the county due to the fact that 65 percent of the county is forestland with a third under private ownership. Assessments show lakeshore activity and municipalities and unmanaged forests are the predominant contributors to water quality degradation within the county. The plan goes on to further discuss other priorities including drainage, ground and surface water quality, flooding, and runoff management.

To address these issues, the county has developed a number of significant initiatives during the second and third generation water plan, which continue to be refined. They include:

- A greenshore program to establish buffers in riparian areas,
- A conservation easement program,
- A wetland management plan,
- A Geological Information System,
- Provide funds and support to the county's shoreland management ordinance,
- Established a full time forester position in the county with time designated to the four-county Snake River JPB,
- Created no impact zones in shoreland areas,
- Established a septic system certification program, and
- Supporting formation of a countywide ditch management plan.

BWSR established expectations regarding the third generation water plan update. They included a taskforce, summary of progress, establishing a watershed context, reflecting current and future trends, prioritizing, and emphasizing special areas of concern. In addition, Aitkin County has continued to coordinate water plan activities with the Snake River Joint Powers Board.

Requirements under Local Water Planning Statute, MS 103B, Aitkin County have been addressed. They include wellhead protection, sensitive groundwater areas, and wetland prioritization.

Using the required Board Conservationist findings and review form addressing BWSR expectations, staff has completed both preliminary and final review of the Aitkin County's third generation Comprehensive Local Water Plan Update. The findings show the requirements under 103B and 9300 have been met.

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

In the Matter of Reviewing the Comprehensive Water Plan Update for Aitkin County (Minnesota Statutes 1990, Section 103B.311, Subdivision 4 and Section 103B.315, Subdivision 5 and Minnesota Rules 9300.0170).

ORDER APPROVING COMPREHENSIVE WATER PLAN

Whereas, the Aitkin County Board of Commissioners adopted its second generation Comprehensive Water Plan (Plan) on January 2, 1996,under authority of M.S. 1990, Section 103B.301, which was approved by the Minnesota Board of Water and Soil Resources (Board), December 20, 1995, respectively pursuant to M.S. 1990, Section 103B.315, Subd. 5, and

Whereas, the Plan provided for updating in 2001 pursuant to M.S. 1990, Section 103B.311, Subd. 4, and

Whereas, the Aitkin County Board of Commissioners submitted a Comprehensive Water Plan Update (Plan Update) to the Board on September 4, 2001, pursuant to M.S. 1990, Section 103B.315, Subd. 5, and

Whereas, the Board has completed its review of the Plan Update:

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

FINDINGS OF FACT

1. M.S. 1990, Section 103B.311, Subd. 4, requires adopted Comprehensive Water Plans to be updated on a recurring basis.

2. On October 5, 1999, Aitkin County passed a resolution to develop a Comprehensive Water Plan Update to meet the Plan update requirements.

3. On November 7, 2000, the Board of Water and Soil Resources received a resolution from Aitkin County requesting an extension of their Comprehensive Local Water Plan.

4. On December 13, 2000, the Board of Water and Soil Resources approved the extension of the Aitkin Comprehensive Water Plan until June 30, 2002.

5. Aitkin County completed a preliminary draft Plan Update on February 20, 2002, and submitted it to affected local units of government for review and comment pursuant to Section 103B.315, Subd. 1.

6. On February 20, 2002, Aitkin County submitted a draft Plan Update to all affected local units of government including the Departments of Agriculture, Health, and Natural Resources, the Pollution Control Agency, Minnesota Planning Environmental Quality Board and the Minnesota Geological Survey for preliminary review and comment.

7. On April 23, 2002, Aitkin County held a public hearing on the Plan Update, pursuant to Section 103B.315, Subd. 4, for the purpose of obtaining public input into the Plan Update.

8. On May 2, 2002, Aitkin County submitted its Final Plan Update along with all written comments received on the Plan Update, and a record of the public hearing to the Board for final State review pursuant to Section 103B.315, Subd. 5.

9. On June 7, 2002, an executive summary, Board Conservationist findings, and goals and objectives of the Aitkin County Plan Update were presented to the Board Ad Hoc committee for their information and review.

10. Minnesota Department of Agriculture (MDA) Review: In the preliminary review, MDA provided no comments. On May 31, 2002, MDA commended Aitkin County on the development of their third generation plan and on progress made in implementation of previous plans. We noted several areas within the plan where MDA may be able to coordinate with efforts identified: including agricultural drainage, low interest loans for on-site septic systems, agricultural chemical storage issues, and best management practices for agricultural operations.

11. Minnesota Department of Health (MDH) Review: On March 3, 2002,in the preliminary review, MDH indicated it found no recognition of wellhead protection for the public water supply systems in Aitkin County. In section IV description of Physical Environment, it would be appropriate to identify the public water supply systems in the county that will need a wellhead protection plan pursuant to MN Rules 4720.5100 to 4720.5590. MDH provided phasing numbers, which will be brought into the wellhead protection program in the next five years. MHH also stated, "It would be appropriate to mention that due to contamination problems in public and private wells in McGregor that the City is planning for construction of a public water system. A very good CLWP project would be to conduct a potential contaminant source inventory in the city" Also, MDH indicated that according to Department records the County has a well sealing cost-share in place and should be commended for it. Through the Minnesota Well Code, the Department has mechanisms in place to encourage the sealing of unused or abandon wells.

12. On May 3, 2002 in the final comment period, MDH reiterated the need for Aitkin County to identify the public water supply systems in the county that will need a wellhead protection plan.

13. Minnesota Department of Natural Resources (DNR) Review: In the preliminary review DNR provided no written comments. DNR is an active member of the water planning taskforce and has contributed throughout the water plan update process.

14. On June 10, 2002, in the final comment period the Minnesota Department of Natural Resources (DNR), stated they found no inconsistency with state law and recommended approval.

15. Minnesota Pollution Control Agency (MPCA) Review: In its preliminary, review Aitkin County received no comments.

16. On June 14, 2002, MPCA, in its final comments found no inconsistency with state law and recommended approval.

17. Minnesota State Planning Agency/Environmental Quality Board (EQB) Review: On April 1, 2002, EQB in its preliminary comments stated that they were very interested in reviewing the unique strategies that Aitkin County will undertake to protect and restore the county's water resources. Also, many sections of the plan

identify development as a major issue; we wanted to comment on the importance of the relationship th Comprehensive Local Water Plan has with other county planning work. We feel that working towards connections between these plans strengthens both planning efforts and will only add to the success of local water planning in the future. The plan does not appear to have any areas that are inconsistent with state laws. Minnesota State Planning provided a helpline e-mail address and list of contacts and services available through the Land Management Information Center, Minnesota's Planning's Local Planning Assistance team, and the Minnesota State Demographic Center. EQB recommended approval.

18. Minnesota State Planning Agency/Environmental Quality Board provided no final comments.

19. Minnesota Geological Survey (MGS) Preliminary Review: MGS provided no preliminary comments. On June 12, 2002, during the final comment period MGS stated," I suggest adding the MGS website to the list on Page 4 because MGS recently published two new bedrock geology maps that cover Aitkin County. These can be downloaded from the MGS website for viewing or printing. MGS also provided website information regarding Bedrock Geology of the Aitkin 30X60 minute quadrangles, a link to the DNR Waters site with the static water-level records for the ground-water observation wells and 13 ground-water chemistry records in GWMAP for Aitkin County. In addition, they suggested considering the economic value of ground water as a resource to attract industry with needs for high volumes of water, such as food processing and ethanol manufacture. Consider exporting the water to water-short areas, or even bottling water for sale from the artesian discharge zone in the county. MGS recommended approval.

20. Minnesota Board of Water and Soil Resources: On March 22, 2002, the Board provided preliminary written comments on the Plan Update. BWSR stated Aitkin County is experiencing tremendous developmental pressure in the lakeshore areas. To address this issue a greenshores program, conservation easement program, shoreland management ordinance and wetland management plan was developed and among the most significant accomplishments of the second generation. In addition, the plan needs to quantify high priority wetlands as indicated in the wetland management plan. Also, the county may want to consider establishing culvert/ditch elevations to assist with the administration of existing 103E (ditch law) and wetland regulation. In addition the plan should give clear direction regarding the assistance it will provide municipalities as they address wellhead issues. Lastly, goals and objectives have been established. A budget will have to be developed.

21. On June 3, 2002, BWSR final comments stated the plan has done a good job in providing Aitkin County with future direction regarding protection and enhancement of its natural resources. The final 90-day review has included a number of my preliminary comments. BWSR has no final comments other than re-emphasizing the major issues addressed during the preliminary comment period. They are as follows. First, high priority wetlands have been identified in the wetland management plan. The wetland management plan is referenced in the water plan update. I suggest an overview of the high priority wetlands and areas in the water plan. Second, how will the County assist the municipalities with wellhead issues?

22. On June 7, 2002, the Mississippi Headwaters Board (MHB) during the final comment period suggested adding a map of the Mississippi Corridor, and websites available on water levels of the Mississippi River. They also recommended addressing the MPCA citation for TMDL's. In addition MHB indicated the need for the County to support the Governor's Water Plan 2000 to which grant money may be attached. Approval is recommended.

23. On April 24, 2002, at the regularly scheduled taskforce meeting Aitkin County responded to all preliminary comments. Final responses were made June 12, 2002.

24. The Board Water Plan Review Committee met on June 14, 2002 in Brainerd with Board staff and representatives from Aitkin County to review and discuss the Plan Update. Those in attendance were Ad Hoc Committee Chair Ginny Imholte, Darrell Bruggman, and Jerome Deal, of the Board; and Keith Grow of the BWSR Brainerd regional office, Aitkin County Water Plan Coordinator, Steve Hughes and Dick Lewis, Aitkin County taskforce member. The water plan review committee met to determine whether all relevant law and rule requirements had been met and to hear comments from the county on the planning process.

25. On June 14, 2002, the BWSR water plan review committee recommended that the Board of Water and Soil Resources approve the Aitkin County Plan Update.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board has proper jurisdiction in the matter of approving a Comprehensive Water Plan Update of Aitkin County pursuant to Minnesota Statutes 1990, 103B.311, Subd. 4, and Minnesota Rules, 9300.0170, Subp. 4.

2. The Aitkin County Plan Update attached to this Order states water and water-related problems within the county, possible solutions, general goals, objectives and actions of the county, and an implementation program. The attached Plan Update is in conformance with the requirements of Minnesota Statutes 1990, 103B.301 and Minnesota Rules Chapter 9300.

ORDER

The Board hereby approves the attached Plan as the Comprehensive Water Plan Update of Aitkin County, dated at Mankato, Minnesota, this Twenty- Sixth day of June 2002.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

_____

BY: Lee Coe, Chair

Committee Recommendations

Northern Subcommittee

2. Carlton County Comprehensive Local Water Plan
   DECISION

OVERVIEW JUNE 2002

THIRD GENERATION CARLTON COUNTY COMPREHENSIVE LOCAL WATER PLAN UPDATE

Background

BWSR approved the original Carlton County Water Plan in 1990. The first update was approved by BWSR in 1996. The county began work on their third generation water plan in 2001 and received a one-year extension.

Water Plan Highlights

The Carlton County Commissioners have re-invented and improved their water plan implementation strategy. In addition to hiring a new water plan coordinator, the county has created a new water plan advisory committee with appointments tied to County Commissioner Districts and with representatives from the Carlton SWCD and Lake Associations.

The Plan Update was modernized and re-formatted to provide for clarity and understanding. Water issues were listed and priorities identified in an Implementation Plan.

Carlton County has a variety of land uses including agriculture (primarily dairy), forestry, recreation, and sprawl from the Duluth metro area. To address the issues with these land uses Carlton County has prioritized issues such as the following items (in no particular order):

-wellhead protection
-trout streams
-lake associations
-solid waste planning
-sustainable development
-erosion control
-feedlot inventory
-wetlands

For reference, Carlton County is bisected by Interstate 35. The county boundary is between Moose Lake to Cloquet.

Three major basins occur in the county: Mississippi, Lake Superior, and the St. Croix. The Carlton County Protected Water Inventory lists over 65 lakes, 7 rivers, and 108 tributary streams. Carlton County is a >80% wetland remaining county.

BWSR regional staff will recommend approval of the Carlton County Plan Update to the regional Ad Hoc Committee on June 14 in Brainerd. The Update period proposed is seven years.

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

In the Matter of Reviewing the Comprehensive Water Plan Update Update for **Carlton County** (Minnesota Statutes 1990, Section 103B.311, Subdivision 4 and Section 103B.315, Subdivision 5 and Minnesota Rules 9300.0170)

ORDER APPROVING COMPREHENSIVE WATER PLAN UPDATE

Whereas, the Carlton County Board of Commissioners adopted a Comprehensive Water Plan Update (Plan Update) under authority of M.S. 1990, Section 103B.301, which was approved by the Minnesota Board of Water and Soil Resources (Board) in December, 1996, pursuant to M.S. 1990, Section 103B.315, Subd. 5, and

Whereas, the Plan Update provided for updating in 2001 pursuant to M.S. 1990, Section 103B.311, Subd. 4, and

Whereas, Carlton County requested an extension to their update until June 30, 2002.

Whereas, the Carlton County Board of Commissioners submitted a Plan Update to the Board on Dec. 14, 2001, pursuant to M.S. 1990, Section 103B.315, Subd. 5, and

Whereas, the Board has completed its review of the Plan Update.

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

FINDINGS OF FACT

1. M.S. 1990, Section 103B.311, Subd. 4, requires adopted Comprehensive Water Plans to be updated on a recurring basis.

2. In December 2000, Carlton County passed a resolution to develop a Plan Update to meet the Plan Update requirements.

3. Carlton County completed a draft Plan Update, and submitted it to affected local government units for review and comment on Dec. 14, 2001 pursuant to Section 103B.315, Subd. 1.

4. On March 19, 2002, Carlton County submitted a draft Plan Update to the Departments of Agriculture, Health, and Natural Resources, the Pollution Control Agency, the Environmental Quality Board and the Minnesota Geological Survey for final review and comment. Preliminary comments were also requested from the agencies.

5. On Feb., 2002, Carlton County held a public hearing on the Plan Update pursuant to Section 103B.315, Subd. 4, for the purpose of obtaining public input into the Plan Update.

6. On March 19, 2002, Carlton County submitted its Plan Update, along with all written comments received on the Plan Update and a record of the public hearing, to the Board for final State review pursuant to

7. On May 22, 2002, a written overview of the Carlton County Plan Update was presented to the Board for their information and review.

8. **Minnesota Department of Agriculture (MDA) Review:** In its final review dated May 31, 2002, the MDA commended Carlton County on the development of their 2002 Plan Update and on progress made in implementation of previous Plan Updates. The MDA described their programs and offered cooperation in the implementation of the PlanUpdate.

9. **Minnesota Department of Health (MDH) Review:** In its final review dated April 30, 2002, MDH noted that the Plan Update presents a great opportunity to further public health protection through its proposed actions to protect water and related-land resources. The MDH recommends approval. Previously, the MDH submitted thorough and useful comments regarding protection of public water supply systems. The MDH preliminary comments were addressed and incorporated into the final draft.

10. **Minnesota Department of Natural Resources (DNR) Review:** DNR provided verbal approval of the Plan Update in June, 2002. As lead Carlton County contact, DNR Waters formally solicited comments for the Plan Update but received no objections or suggestions from other DNR Divisions. In summer 2001, DNR Waters testified to the Carlton County Water Plan Update Advisory Committee regarding the Protected Waters Program. Suggestions and discussion occurred at this meeting between the DNR and the Advisory Committee.

11. **Minnesota Pollution Control Agency (MPCA) Review:** MPCA was contacted by phone. No written comments were received.

12. **Environmental Quality Board (EQB) Review:** No written comments were received.

13. **Minnesota Geological Survey (MGS) Review:** MGS was contacted by phone. No written comments were received.

14. **Minnesota Board of Water and Soil Resources (Board):** The Board was active in the Plan Update committee process. A preliminary comment was submitted to "require erosion and sediment control during land disturbing activities." The County agreed to examine their land use ordinance regarding this topic. No final written comments were forwarded by BWSR.

15. **County Response to Agency Comments:** Carlton County responded to agency comments in the "Draft Water Plan Update Comments/Changes letter submitted Feb. 27, 2002. Other comments were incorporated into the "Implementation Priorities."

    For the final draft. state agencies did not flag any policies that are contrary to state water laws or policies.

16. **Board Water Plan Update Review Committee Meeting:** On June 14, 2002, the Board committee met in Brainerd with Board staff and representatives from Carlton County to review and discuss the Plan Update. Those in attendance were Darrell Bruggman, Jerome Deal, and Ginny Imholte of the Board; Ron Shelito and Mark Nelson of the Board regional staff; Carlton County Water Plan Update Advisory Committee Chair Paul Davidson, and Carlton County Water Plan Coordinator Joan Weyandt-Fulton. The water Plan Update review committee met to determine whether all relevant law and rule requirements had

been met and to hear comments from the county on the Plan Update process.

17. On June 14, 2002, the BWSR water Plan Update review committee recommended that the Board of Water and Soil Resources approve the Plan Update.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board has proper jurisdiction in the matter of approving a Plan Update of Carlton County pursuant to Minnesota Statutes 1990, 103B.311, Subd. 4, and Minnesota Rules 9300.0170, Subp. 4.

2. The Plan Update attached to this Order states water and water related problems within the county, possible solutions, general goals, objectives and actions of the county, and an implementation program. The attached Plan Update is in conformance with the requirements of Minnesota Statutes 1990, 103B.301 and Minnesota Rules Chapter 9300.

ORDER

The Board hereby approves the attached Plan Update as the Comprehensive Water Plan Update of Carlton County, dated at Mankato, Minnesota, this twenty sixth day of June, 2002.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

_____

BY: Leland Coe, Chair

Committee Recommendations

Northern Subcommittee

3. Cook County Request for Extension of Comprehensive Local Water Plan
   DECISION

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

In the Matter of Extending the Comprehensive Water Plan for **Cook County** (1995 Minnesota Session Law, Chapter 184 authorizing BWSR to grant extensions)

ORDER EXTENDING COMPREHENSIVE WATER PLAN

Whereas, the Cook County Board of Commissioners has a state approved Comprehensive Water Plan (Plan) that is effective until December 31, 2003 pursuant to M.S. 1990.301 and

Whereas, the Cook County Board of Commissioners requested an extension of the Plan to the Minnesota Board of Water and Soil Resources (Board) on May 9, 2002 pursuant to Minn. Session Law 1995, Chapter 184 Section 24 and

Whereas, the Board has authorization to grant extensions pursuant to Minn. Session Law 1995, Chapter 184 Section 24,

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

FINDINGS OF FACT

1. On May 10, 2002 the Board received a resolution from Cook County requesting an extension of their Plan.

2. Primary reason for the extension request is to synchronize the Plan with MPCA's Lake Superior Basin and Rainy River Basin Planning Processes; and the MDH's Source Water Assessment and possible protection plans. Cook County is actively participating in all three state plans.

3. On June 10, 2002 the Board staff reviewed and recommended approval of the extension requested by Cook County.

CONCLUSIONS

1. All relevant requirements of law and rule have been fulfilled. The Board has proper jurisdiction in the matter of extending the Plan Cook County pursuant to Minn. Session Law 1995, Chapter 184 Section 24.

ORDER

The Board hereby approves the extension of the Cook County Plan until December 30, 2004. Dated at Mankato, Minnesota, this 26th day of June, 2002.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

BY: Lee Coe, Chair

Committee Recommendations

Cost-Share Committee

1. Recommendations for EQIP Subcommittee
   DECISION

COST SHARE COMMITTEE RECOMMENDATIONS FOR EQIP SUBCOMMITTEE

2002 FARM BILL

Background

The 2002 Farm Bill is authorized to bring to Minnesota many millions of conservation dollars. If appropriated, these dollars will provide funding for several programs. Conservation projects applied through these programs have the potential of providing a great benefit to landowners and the soil and water resources of Minnesota.

Issues

1) The Farm Bill is expected to provide around $4 million for EQIP Program funding for FY 02. These funds must be committed to projects by September 30, 2002. Funds not committed to projects by this date are at high risk of having to be returned to federal accounts. If funds end up being returned, fund amounts projected for Minnesota for FY 03 may be reduced.

2) Over time, the technical assistance capacity of LGUs has generally related to the amounts of available conservation practice funds. With the anticipated influx of a large amount of federal funds over the next 5 years, there is a strong concern that current levels of LGU staffing will not be able to respond to the likewise anticipated additional technical assistance needed to plan, design, and implement a large increase in conservation practices.

Recommendations

1) In order to commit FY 02 EQIP funds before September 30, 2002, the Committee recommends that NRCS consider funding the remaining unfunded high priority feedlot projects as identified on the Fiscal Year 2003 FWQM Grant Report spreadsheet.

2) In order to meet the anticipated increase in needed technical assistance in LGUs, the Committee recommends that up to $400K of uncommitted Cost Share roll-over (slippage) be made available to SWCDs or SWCD JPBs to employ additional staff to provide technical assistance for conservation practices. A specific proposal for leveraging other funds and an allocation for board consideration will be presented at the August meeting.

H:CSCR

New Business

1. Wetland Conservation Act (WCA) Rules
   DECISION

Mary Jo

BOARD RESOLUTION # 02-48

Minnesota Board of Water & Soil Resources

Wetland Conservation Act (WCA) Proposed Rule Adoption – Minnesota Rule Chapter 8420

WHEREAS, the Board of Water and Soil Resources is required by 2000 Laws of Minnesota, Chapter 382, Section 20, to adopt permanent WCA rules, replacing the current rule enacted through the exempt proceedings, by July 30, 2002; and

WHEREAS, the proposed Rules include changes necessary to: i) incorporate the revisions required by 2000 Laws of Minnesota, Chapter 382 and 2001 Laws of Minnesota, Chapter146; and ii) link to separate rules being adopted by the Department of Natural Resources in Chapter 6115; and iii) incorporate clarifications, updates to recent scientific information, and process changes needed to reflect and improve implementation of the WCA; and

WHEREAS, the proposed Rules have been developed in conjunction with the Department of Natural Resources and have the input of stakeholders who participated in the development of the legislation and thus the proposed rules have had input from a majority of those using and affected by them; and,

WHEREAS, Board staff have; (i) convened public information meetings to provide a greater understanding of the proposed rule and solicit ideas for improvements, (ii) coordinated rule development and procedures with the Department of Natural Resources rule adoption process for Chapter 6115, (iii) developed the Statement of Need and Reasonableness (SONAR), (iv) completed the processes necessary to publish said rules for public comment and held public hearings, and (v) made further changes based on comments received during the public comment period and the hearing process; and,

WHEREAS, the final proposed Rules, and the process to develop them, have been reviewed and approved by the Office of Administrative Hearings (Judge Steve Mihalchick).

NOW, THEREFORE, the Board of Water and Soil Resources hereby adopts the proposed Wetland Conservation Act Rules (Revisor Document # ar3282, dated 6/12/02) and authorizes the Executive Director to; (i) file the adopted rule with the Secretary of State, (ii) secure a Notice of Adoption from the Office of the Revisor of Statutes, and (iii) complete the processes necessary to publish adopted rules in the State Register in order to make the rule effective by July 30, 2002.

By: Leland A Coe
Leland Coe, Board Chair

Date: June 26, 2002

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Minnesota Board of Water and Soil Resources

**CERTIFICATE OF THE BOARD OF WATER AND SOIL RESOURCES;
RESOLUTION ADOPTING RULES**

Adopted Amendment to Rules Governing the Wetland Conservation Act, Minnesota Rules, Chapter 8420

I, Leland Coe, do hereby certify that I am a member and the Chair of the Board of Water and Soil Resources, a board duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Board of Water and Soil Resources, duly and properly called and held on the 26th day of June, 2002, that a quorum was present, and that a majority of those present voted for the resolution which has not been rescinded or modified.

> "RESOLVED, that the rules relating to the Wetland Conservation Act in the form set out in Revisor Of Statutes draft, file number AR3282, dated June 12, 2002, identified as Minnesota Rules, Chapter 8420, are approved and adopted, pursuant to authority vested in the Board of Water and Soil Resources by Minnesota Statutes, sections 103B and 103G. Ron Harnack, Executive Director of the Board of Water and Soil Resources, is authorized to sign the Order Adopting Rules and further is authorized to modify the rules if necessary to obtain the approval of the rules by the Revisor Of Statutes or the Administrative Law Judge and to perform the necessary acts to provide that the rules shall have the force and effect of law."

IN WITNESS WHEREOF, I have hereunto subscribed my name.

June 26, 2002
Date

Leland S. Coe
Leland Coe, Chair
Board of Water and Soil Resources

BOARD RESOLUTION #_____

Minnesota Board of Water & Soil Resources

Wetland Conservation Act (WCA) Proposed Rule Adoption – Minnesota Rule Chapter 8420

WHEREAS, the Board of Water and Soil Resources is required by 2000 Laws of Minnesota, Chapter 382, Section 20, to adopt permanent WCA rules, replacing the current rule enacted through the exempt proceedings, by July 30, 2002; and

WHEREAS, the proposed Rules include changes necessary to: i) incorporate the revisions required by 2000 Laws of Minnesota, Chapter 382 and 2001 Laws of Minnesota, Chapter146; and ii) link to separate rules being adopted by the Department of Natural Resources in Chapter 6115; and iii) incorporate clarifications, updates to recent scientific information, and process changes needed to reflect and improve implementation of the WCA; and

WHEREAS, the proposed Rules have been developed in conjunction with the Department of Natural Resources and have the input of stakeholders who participated in the development of the legislation and thus the proposed rules have had input from a majority of those using and affected by them; and,

WHERAS, Board staff have; (i) convened public information meetings to provide a greater understanding of the proposed rule and solicit ideas for improvements, (ii) coordinated rule development and procedures with the Department of Natural Resources rule adoption process for Chapter 6115, (iii) developed the Statement of Need and Reasonableness (SONAR), (iv) completed the processes necessary to publish said rules for public comment and held public hearings, and (v) made further changes based on comments received during the public comment period and the hearing process; and,

WHEREAS, the final proposed Rules, and the process to develop them, have been reviewed and approved by the Office of Administrative Hearings (Judge Steve Mihalchick).

NOW, THEREFORE, the Board of Water and Soil Resources hereby adopts the proposed Wetland Conservation Act Rules (Revisor Document # ar32821, dated 6/13/02) and authorizes the Executive Director to; (i) file the adopted rule with the Secretary of State, (ii) secure a Notice of Adoption from the Office of the Revisor of Statutes, and (iii) complete the processes necessary to publish adopted rules in the State Register in order to make the rule effective by July 30, 2002.

By: _____
Leland Coe, Board Chair

Date: _____

Minnesota Wetland Conservation Act (WCA)
Proposed Administrative Rules (Chapter 8420)
Summary

The Minnesota Board of Water and Soil Resources (BWSR) proposes amendments to, and adoption of, permanent rules governing the Wetland Conservation Act (WCA). The goals of these proposed changes are:

1. Make permanent exempt rules (authorized by and incorporating language from Minnesota Laws 2000, Chapter 382) adopted by BWSR that became effective on July 31, 2000 and that expire on July 31, 2002.

2. Make changes in the WCA requirements to further reduce regulatory duplications, improve consistency of application of procedures, and allow for more integration of wetland management into local land use controls.

3. Implement language contained in Minnesota Laws 2001, Chapter 146.

4. Make suggested modifications by local governments, enforcement officials, agency staffs and private interests involved in implementing the rules.

Sections of the proposed rules that contain the most significant changes include:

- Minn. Rules, Parts 8420.0105 and 0110, which propose clarify the **scope of regulated activities** and to add the term "non-wetland" to the rules. This is being done to address use of draining and fill with related excavation as a means of converting wetlands to non-wetlands and to clarify the basis for determining wetland replacement credits.

- Minn. Rules, Part 8420.0105, includes language **potentially allowing the integration of state water quality standards** with the WCA procedures -- to the extent agreed to by state and local government -- as a means of reducing regulatory duplication between state and local governments.

- Minn. Rules, Part 8420.0122, Subp. 9, BWSR proposes language to **clarify typing of wetlands for application of the de minimis exemption**. Because of the existence of two wetland typing systems (Circular 39 and Cowardin, et. al.) there has been inconsistent application of the de minimis exemption, especially as it pertains to the fringe areas of Type 3, 4, or 5 wetlands. The proposed language would clarify the technique for applying the associated de minimis amount and provide a practical, less time consuming alternative for applying this exemption to large wetlands.

- Minn. Rules, Parts 8420.0210 & 0220. BWSR proposes to allow notice of replacement, exemption and no loss **determinations to be communicated by methods other than hard copy mailing** (i.e. e-mail, internet posting, etc.). Doing so would reduce the administrative burden on local governments and expedite noticing to all parties.

- Minn. Rules, Part 8420.0290, Subp. 4. BWSR proposes language to allow for **appeals of the terms and conditions of a restoration or replacement order** issued for violations of the Act. Currently, the only means to challenge these orders is through the criminal court process. This would provide additional due process to landowners via an administrative review to remedy or correct legal or technical details prior to (and to avert) potential court proceedings.

- Minn. Rules, Part 8420.0541. **Wetland Replacement Credit**. This subpart contains proposed language to allow less than 80 percent areas of the state to receive **partial (25%) new wetland replacement credits for restoring partially drained wetlands**. Currently, only greater than 80 percent areas of the state can do this. Allowing the remainder of the state to participate would encourage restoration of wetlands instead of creating wetlands in non-wetland areas, which -- the research shows -- are less likely to become fully functioning wetland areas.

Inclusion of changes from Chapter 146, Laws 2001 allows restoration of **exceptional natural resources values** of wetlands for replacement credit. This provides a new way to achieve replacement under the rules for restoration projects that do not fit into another category but have exceptional natural resource benefits.

Proposed language would **redefine the minimum width of an upland buffer necessary to receive wetland replacement credit**. The current rule requires a 16.5-foot buffer; however, this is insufficient to protect the adjacent wetland's complementary functions (water quality, wildlife habitat, etc.). BWSR proposes to increase the minimum width to an average of 25 feet for municipal wetlands and an average width of 50 feet for non-municipal wetlands to assure protection of these functions.

Minor changes from Minnesota Session Law 146 concerning replacement credits from construction of **water quality treatment ponds** are included. Current language in the exempt rule was difficult to interpret by local governments and applicants. The changes to this part clarify what actions associated with a storm water treatment system are eligible to receive replacement credits, making it easier for affected parties to understand and implement.

Proposed changes to rule language concerning use of **wetland creations** for replacement credit would require an applicant to provide a **performance bond or other surety** to the local government unit until they determine the site has met its design goals. This language is necessary because national studies and field evaluations of created wetlands in Minnesota have demonstrated a higher rate of failure due to design or construction flaws as compared to restoration sites. The posting of a performance bond or surety provides incentives to applicants to ensure their creations meet the desired design goals and provides local governments with a means of correcting defects if the applicant does not instead of having to rely on criminal enforcement measures.

- Minn. Rules, Part 8420.0650, has proposed language to further encourage the use of **local wetland protection and management plans** by local governments to regulate wetland impacts. This language would provide local governments with flexibility in obtaining Board approval of a local wetland protection and management plans either through current processes or in connection with local water planning processes.

- Minn. Rules, Part 8420.0740. **Wetland Banking**. Changes to this section include; allowing up to 15% of credits to be sold before deposit, allowing credits to be sold and held free of a real property interest, clarification as to the parties responsible for the success and perpetual preservation of the wetland banking site, and language to allow the agency and local government units to collect fees for costs associated with managing accounts in the statewide wetland bank.

F:\LanWData\WCA\Rules 2002\exec. summary WCA Rule.doc (6-13-02, JJ)

TIMELINE FOR ADOPTION OF AMENDMENTS TO WCA RULES (Ch 8420)

Updated by: John Jaschke on 6-13-02

Informal Stage - with DNR Public Waters Rules (Ch 6115) ***(partial listing)***
May 1, 2001: Internal DNR Statewide Interdisciplinary Review Service (SIRS) begins

June 5, 2001: Second DNR Statewide Interdisciplinary Review Service (SIRS) meeting

June 21, 2001: BWSR Board Wetland Committee meeting to establish proposed rulemaking process and schedule

July 3, 2001: Third DNR Statewide Interdisciplinary Review Service (SIRS) meeting

July 16, 2001: LGU staff meeting to provide input/ideas, Waite Park

July 25, 2001: BWSR Board meeting to discuss rulemaking goals & principles

August 10, 2001: 2nd LGU staff meeting to provide input/ideas, Waite Park

August 22, 2001: Initial Stakeholders Meeting, MNDOT Arden Hills

October 10, 2001: Second Stakeholders meeting to review draft proposed rule and explain formal rulemaking processes.

October 12, 2001: BWSR Wetland Committee meeting to review draft proposed rule and SONAR for WCA.

mid-October to mid-December: various meetings and communications with interested and affected parties toward achieving consensus on major aspects of the two rules.

January 4, 2002: Third/Final Stakeholders meeting to review final draft proposed rule and pursue consensus on major points prior to formal rulemaking processes.

Formal "Dual Notice" Rulemaking Process – WCA only
By Monday, June 11, 2000 – memo to Governor's Office announcing rule amendment

By Monday, June 25, 2001 – Publication Order for Request for Comments to State Register

Monday, June 25, 2001 – Request for Comments published in State Register (at least 60 days prior to Dual Notice per Minn Stat 14.101)

Thursday, October 25, 2001 – draft WCA Proposed Rules approved by Board with further review and modifications by Administrative Subcommittee authorized.

Wednesday, December 19, 2001 – BWSR Board Approval of Administrative Committee Recommendation to authorizing Executive Director to give Dual Notice.

December, 2001 - PW Proposed Rules approved by DNR Commissioner. Copies of proposed rules to Commissioner of Agriculture (at least 30 days prior to Dual Notice per Minn Stat 14.111).

Monday, December 31, 2001 – Revisor's certificate approving rules for publication.

Thursday, January 3, 2002 – Meet with Governor's Office to review proposed rules.

Thursday, January 17, 2002 –Governor's Office approval received

By Wednesday, January 23, 2002 – Submit Dual Notice, Rules, SONAR, and Notice Plan to OAH (at least five working days prior to Dual Notice because ALJ has five working days to review per Minn R 1400.2080, subp. 5 and Minn R 1400.2060, subp 3).

Monday, January 28, 2002 – Dual Notice mailed to all on BWSR and DNR rulemaking mailing lists (at least 30 days prior to end of comment period per Minn.R.1400.2080, subp.6) and notice per notice plan including notice to legislature (chief authors and committee chairs) and web site publication. Rules and SONAR also to legislative reference library.

Tuesday, January 29, 2002 – publication order to State Register (by Wednesday noon a week and a half before publication date)

Monday, February 11, 2002 – Dual Notice published in State Register

mid-February: Hold approximately six regional public information meetings on proposed rules.

Wednesday, March 13, 2002 – End of comment period (30 days after Dual Notice published)

Hearing Requested (more than 25 requests): ALJ Steven Mihalchick

Tuesday, March 26, 2002 – Hearings (afternoon and evening) in St. Cloud (not sooner than 40 days after Dual Notice per Minn Stat.14.22, subd.2 with at least one hearing in an agricultural area of state (per Minn Stat 14.14, subd.1b)

Tuesday, April 9, 2002 – Agency's and public's comments to the hearing record submitted. Comment period lasts at least five working days, was extended to 14 calendar days as ordered by ALJ Mihalchik. (Minn.Stat.14.15, subd.1: Minn.R.1400,.2300,2530,.2540)

Tuesday, April 16, 2002 – Agency response to comments and information submitted during comment period (five working days)

Wednesday, May 15, 2002 – Chief ALJ issues hearing report (within 40 days of close of response period but can be extended upon request by ALJ. Minn.Stat.14.15, subd.2).

By Friday, June 21, 2002 – Agency decides if changes to proposed rule are needed in three categories: I.) TECHNICAL ONLY, NOTICE TO GOVERNOR AND ALJ, ~~ii.) recommended~~

~~by ALJ, notice to Governor only, or iii.) substantive, then must notice to Governor and ALJ which have 30 days to respond.~~

Wednesday, June 26, 2002 – BWSR Board passes resolution to authorize Executive Director to sign Order Adopting Rules.

Wednesday, June 26, 2002 – Order Adopting Rules (at least five working days after approval from ALJ or Chief ALJ)

Wednesday, June 26, 2002 – File rules with Secretary of State (Minn. Stat. 14.16, subd. 3)

Wednesday, June 26, 2002 – Give notice of filing (on same day file with Secretary of State)

Wednesday, June 26, 2002 – Secretary of State forwards approved rule to Revisor

By Tuesday, July 2, 2002 – Revisor sends BWSR Notice of Adoption and BWSR sends Notice of Adoption to State Register.

Monday, July 15, 2002 – Notice of Adoption published in State Register (Monday, July 22, 2002 would be last possible date for publication)

Monday, July 22, 2002 – rules effective five working days after published in State Register per Minn.Stat.14.27 (Must be effective on or before July 31, 2002)

C:\My Documents\WCA rules schedule 2001- 2002.doc

12-3300-14693-1

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

FOR THE BOARD OF WATER AND SOIL RESOURCES

In the Matter of the Proposed Adoption of Rules Relating to the Wetland Conservation Act of 1991, Minnesota Rules, Chapter 8420.

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The above-entitled matter was heard by Administrative Law Judge Steve M. Mihalchick on March 26, 2002 at 1:30 p.m. and 7:00 p.m. in the Bell and Alexander Room, Saint Cloud Civic Center, 10 Fourth Avenue South, Saint Cloud Minnesota.

Approximately thirty-five persons attended the two hearing sessions. Twenty-four persons signed the hearing register. The hearing continued until all interested persons, groups or associations in attendance had an opportunity to be heard concerning the adoption of these rules.

William Szotkowki, Assistant Attorney General, appeared on behalf of the Board of Water and Soil Resources ("the Board"). The hearing panel consisted of John Jaschke, Administrator, and Dan Ecklund, Hydrologist, both of the Board's Land and Water Section.

The record remained open for the submission of written comments for thirteen calendar days following the final day of hearing, to April 9, 2002. Pursuant to Minn. Stat. § 14.15, subd. 1, five working days were then allowed for the filing of responsive comments. At the close of business on April 16, 2002, the rulemaking record closed for all purposes.[1] The Administrative Law Judge received twenty-three written comments from interested persons prior to and during the hearing and during the comment and response periods. The Department submitted written comments during the comment and response periods and made changes to the proposed rule.

This Report is part of a rulemaking proceeding held pursuant to Minn. Stat. §§ 14.131 to 14.20, to hear public comment, to determine whether the Minnesota Board of Water and Soil Resources ("the Board" or "BWSR") has fulfilled all relevant substantive and procedural requirements of law applicable to the adoption of the rules and whether the proposed rules are needed and reasonable.

This Report must be available for review to all interested persons upon request for at least five working days before the Board takes any further action on the proposed

[1] Pursuant to Minn. Stat. § 14.15, subd. 2, and Minn. R. 1400.2240, the Chief Administrative Law Judge has granted an extension for the preparation of this Report.

amendments. The Board may then adopt a final rule, or modify or withdraw its proposed amendments.

When the Board files the rule with the Secretary of State, it shall give notice on the day of filing to all persons who requested that they be informed of the filing.

Based upon all the testimony, exhibits, and written comments, the Administrative Law Judge makes the following:

FINDINGS OF FACT

Rulemaking Legal Standards

1. Under Minnesota law,[2] one of the determinations that must be made in a rulemaking proceeding is whether the agency has established the need for and reasonableness of the proposed rules by an affirmative presentation of facts. In support of a rule, an agency may rely on legislative facts, namely general facts concerning questions of law, policy and discretion, or it may simply rely on interpretation of a statute, or stated policy preferences.[3] The Board prepared a Statement of Need and Reasonableness (SONAR)[4] and Addendum to the SONAR[5] in support of its proposed rules. At the hearing, the Board relied upon the SONAR and Addendum as its affirmative presentation of need and reasonableness for the proposed amendments. The SONAR and Addendum were supplemented by comments made by Board staff at the public hearing, and by the Board's written post-hearing comments and reply.

2. The question of whether a rule has been shown to be reasonable focuses on whether it has been shown to have a rational basis, or whether it is arbitrary, based upon the rulemaking record. Minnesota case law has equated an unreasonable rule with an arbitrary rule.[6] Arbitrary or unreasonable agency action is action without consideration and in disregard of the facts and circumstances of the case.[7] A rule is generally found to be reasonable if it is rationally related to the end sought to be achieved by the governing statute.[8] The Minnesota Supreme Court has further defined an agency's burden in adopting rules by requiring it to "explain on what evidence it is relying and how the evidence connects rationally with the agency's choice of action to be taken."[9]

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[2] Minn. Stat. § 14.14, subd. 2; Minn. R. 1400.2100.
[3] *Mammenga v. Department of Human Services*, 442 N.W.2d 786 (Minn. 1989); *Manufactured Hous. Inst. v. Pettersen*, 347 N.W.2d 238, 244 (Minn. 1984).
[4] Ex. 4.
[5] Ex. 5.
[6] *In re Hanson*, 275 N.W.2d 790 (Minn. 1978); *Hurley v. Chaffee*, 231 Minn. 362, 43 N.W.2d 281, 284 (1950).
[7] *Greenhill v. Bailey*, 519 F.2d 5, 19 (8th Cir. 1975).
[8] *Mammenga*, 442 N.W.2d at 789-90; *Broen Mem'l Home v. Minnesota Dept. of Human Services*, 364 N.W.2d 436, 444 (Minn. Ct. App. 1985).
[9] *Manufactured Hous. Inst. v. Pettersen*, 347 N.W.2d at 244.

3. Reasonable minds might be divided about the wisdom of a certain course of action. An agency is legally entitled to make choices between possible approaches so long as its choice is rational. It is not the role of the Administrative Law Judge to determine which policy alternative presents the "best" approach, since this would invade the policy-making discretion of the agency. The question is, rather, whether the choice made by the agency is one that a rational person could have made.[10]

4. In addition to need and reasonableness, the Administrative Law Judge must also assess whether the rule adoption procedure was complied with, whether the rule grants undue discretion, whether an agency has statutory authority to adopt the rule, whether the rule is unconstitutional or otherwise illegal, whether the rule constitutes an undue delegation of authority to another entity, or whether the proposed language is not a rule.[11]

5. This Report discusses the portions of the proposed rules that received significant critical comment or otherwise require examination. Accordingly, this Report will not discuss each proposed rule, nor will it respond to each comment that was submitted. Every submission has been read and considered. Moreover, because the Board addressed most comments in its posthearing comments[12] and reply,[13] there is no need to do so again. The Administrative Law Judge finds that the Board has demonstrated the need for and reasonableness of all provisions of the rules that are not discussed in this Report, that such provisions are within the Board's statutory authority, and that there are no other problems that prevent their adoption.

6. Where changes have been made to the rules after publication in the State Register, the Administrative Law Judge must determine if the new language is substantially different from that which was proposed originally.[14] Unless mentioned specifically, any language proposed by the Board that differs from the rule as published in the State Register is found not to be substantially different.

Procedural Requirements

7. On January 22, 2002, the Board filed copies of the proposed Notice of Hearing, proposed rules, and draft SONAR with the Office of Administrative Hearings. The filings complied with Minn. R. 1400.2080, subp. 5. On the same date, the Board also filed a proposed additional notice plan for its Notice of Hearing and requested that the plan be approved pursuant to Minn. R. 1400.2060. By letter of January 28, 2002, Administrative Law Richard C. Luis approved the additional notice plan.

8. At the hearing on March 26, 2002, the Department filed the following documents as required by Minn. R. 1400.2220:

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[10] *Federal Sec. Adm'r v. Quaker Oats Co.*, 318 U.S. 218, 233 (1943).
[11] Minn. R. 1400.2100.
[12] Ex. 46.
[13] Ex. 53.
[14] Minn. Stat. § 14.05, subd. 2.

a. The Board's Request for Comments as published in the State Register on June 25, 2001;[15]

b. The Board's Resolution No. 01-77, authorizing Board staff to conduct rulemaking related to the Wetland Conservation Act;[16]

c. The proposed rules dated January 24, 2002, including the Revisor's approval;[17]

d. The SONAR;[18]

e. The March 25, 2002 Addendum to the SONAR.[19]

f. The certification that the Board mailed a copy of the SONAR to the Legislative Reference Library;[20]

g. The Dual Notice of Hearing as mailed and published in the State Register on February 11, 2002;[21]

h. The letter approving the Board's Additional Notice Plan;[22]

i. Certificate of Mailing the Dual Notice of Hearing and Certificate of Mailing List;[23]

j. A copy of the transmittal letter sending a copy of the SONAR and other documents to Legislators on February 5, 2002;[24]

k. A description of some of the public participation and outreach conducted by the Board, including copies of the Board's webpage, a listing of rule development stakeholders, a listing of informational meetings held throughout the State, and a draft timeline for rule development.[25]

l. Written comments received by the Board in response to proposed rules.[26]

m. The Notice of Hearing and Certificate of Mailing that Notice to the persons requesting a hearing;[27]

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[15] Ex. 1.
[16] Ex. 2.
[17] Ex. 3.
[18] Ex. 4.
[19] Ex. 5.
[20] Ex. 6.
[21] Ex. 7.
[22] Ex. 8.
[23] Ex. 9.
[24] Ex. 10.
[25] Ex. 11.
[26] Ex. 12A-D.

n. The Board's proposed changes to the rule as it was published in the State Register.[28]

9. During the hearing, the Builders Association of Minnesota (Builders Association) asserted that the Board provided inadequate notice to affected groups of the proposed changes to the rules.[29] The Board responded that the Builders Association has participated since in the rulemaking process since the previous summer.[30] The list of "Rule Development Stakeholders" contains nearly 200 names and includes business, landowner, agricultural, environmental, recreational, technical, and local government interests.[31] The Builders Association was on the list and participated in the process.[32] Six informational meetings were held in February 2002 for stakeholders.

10. The rulemaking process contemplates agencies making changes to the proposed rule in response to public comments. An agency is not required to provide further notice of changes to its proposed rule made in advance of the hearing. No party was provided inadequate notice in this proceeding.

11. The Department has complied with all applicable procedural requirements necessary to adoption of the proposed rules.

Nature of the Proposed Rules and Statutory Authority.

12. The Board adopted exempt rules governing implementation of the Wetland Conservation Act (Minn. Stat. § 103G.2242). The exempt rules expire on July 31, 2002. The Board is proposing these rules to convert them from exempt rules (adopted under Minn. Stat. §§ 14.386 to 14.388) to permanent rules. The proposed rules incorporate changes from the previously adopted exempt rule. The Legislature directed the Board to simplify and consolidate wetland regulation by adopting the exempt rules.[33] That direction also stated:

> (b) The rules authorized under paragraph (a) are exempt from the rulemaking provisions of Minnesota Statutes, chapter 14, except that Minnesota Statutes, section 14.386, applies and the proposed rules must be submitted to the members of senate and house environment and natural resource and agriculture policy committees at least 30 days prior to being published in the State Register. The amended rules are effective for two years from the date of publication of the rules in the State Register unless they are superseded by permanent rules.[34]

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[27] Ex. 13.
[28] Ex. 14.
[29] Transcript, at 52-53.
[30] *Id.* at 59.
[31] Ex. 11.
[32] *Id.*
[33] Laws of Minnesota 2000, Chapter 382, Section 20.
[34] *Id.*

13. Under Laws of Minnesota 2000, Chapter 382, Section 20, the Board has the authority to adopt necessary rules regarding the regulation of wetlands in Minnesota. In addition to that session law, the Board cites Minn. Stat. §§ 103B.3355, 103G.2242, and 103B.101 as specific statutory authority to adopt the proposed rules.[35] Each of those statutes grants the Board rulemaking authority. Minn. Stat. § 103G.2242, subd. 1 requires the Board, in consultation with the Commissioner of Natural Resources, to "adopt rules governing the approval of wetland value replacement plans under this section and public waters work permits affecting public waters wetlands …." Minn. Stat. §§ 103B.3355(b) requires the Board to adopt rules that establish the process for determining the functions and public value of wetlands. The Department is expressly authorized by these laws to adopt the proposed rules as permanent rules.

Cost and Alternative Assessments in SONAR.

14. Minn. Stat. § 14.131 provides that state agencies proposing rules must include in the SONAR a description of the classes of persons affected by the rule, including those incurring costs and those reaping benefits; the probable effect upon state agencies and state revenues; whether less costly or less intrusive means exist for achieving the rule's goals; what alternatives were considered and the reasons why any such alternatives were not chosen; the costs that will be incurred complying with the rule; and differences between the proposed rules and existing federal regulations.

15. Minn. Stat. § 14.131, also requires that an agency include in its SONAR a description of how it "considered and implemented the legislative policy supporting performance-based regulatory systems set forth in section 14.002." Section 14.002 states, in relevant part, that "whenever feasible, state agencies must develop rules and regulatory programs that emphasize superior achievement in meeting the agency's regulatory objectives and maximum flexibility for the regulated party and the agency in meeting those goals."

16. The Board described the classes of affected persons in the SONAR, as follows:

> The proposed rule will most significantly affect present and future landowners of property containing wetlands. It will also affect local governments who have the primary responsibility to carry out the WCA law and rule requirements. Cost of the proposed rule would be primarily borne by the affected landowners, taxpayers supporting local governmental operations, and state taxpayers who support state grants to local governments and the state operations required to oversee the program. However, recent legislative changes incorporated in these proposed rules attempt to reduce these costs by providing reductions in regulatory overlap of state water regulations and increasing flexibility for local governments in achieving the goals of wetland protection. Beneficiaries of the rule will be the general citizenry, including those

[35] Ex. 1.

> affected above, and interest groups, who realize the environmental benefits of wetland protection (water quality, flood control, fish and wildlife habitat, etc.). Also, financial benefits are likely to continue to accrue to environmental consultants who are hired by landowners to evaluate and prepare solutions to the regulatory requirements and persons enrolled in the statewide wetland bank.[36]

17. The Board concluded that no less intrusive or less costly alternative could be proposed to these rules, since these rules are the comprehensive approach to wetland regulation that simplified the process. The Board considered referencing the statutory language in the rule rather than restating that language in its proposed rule. The Board concluded that "the confusion it would cause among local governments implementing the program and landowners affected by this action would quickly outweigh any initial savings in printing costs."[37] While the costs of compliance with the rule were described as "difficult to determine," the Board concluded that compliance with the rule would reduce costs through reduced regulatory burdens on landowners and increased flexibility for local units of government.[38] Regarding consistency with applicable federal regulations, the Board stated:

> Wherever possible, attempts have been made to make the proposed rule (within the confines of the statute) consistent with similar federal wetland program regulations (e.g. Section 404 of the Federal Clean Water Act and the Federal Agricultural Improvement and Reform Act). Additionally, these rules incorporate various reductions of regulatory duplication with Minnesota Rules 6115 governing the regulation of protected waters by the Minnesota Department of Natural Resources. However, much of the proposed rules cover areas that are not addressed by federal laws or regulations.[39]

18. The Administrative Law Judge finds that the Board has met the requirements set forth in Minn. Stat. § 14.131 for assessing the impact of the proposed rules, including consideration and implementation of the legislative policy supporting performance-based regulatory systems.

8420.0105 - Scope

19. Rule part 8420.0105 establishes the scope of these rules (hereinafter "WCA rules") implementing the Wetland Conservation Act. The Board noted that under the current rule, "drain or fill projects can be undertaken in such a manner that the excavation associated with them could cause additional unregulated loss of wetlands."[40] The Board addresses this situation by proposing to modify the rule part to expressly include such projects under the WCA rules. Both the Department of Natural Resources

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[36] Ex. 4 at 3.
[37] Ex. 4 at 3.
[38] Ex. 4, at 3-4.
[39] Ex. 4 at 4.
[40] Ex. 4 at 6.

(DNR) and the affected local government unit (LGU) have the responsibility for making determinations on project issues. The Board proposed affording the opportunity for waivers by either the DNR or the LGU when the determination is made by the other entity and the required standards are applied.

20. The Board initially proposed to allow determination of compliance with standards of chapter 7050, the water quality rules of the Minnesota Pollution Control Agency (MPCA), in the WCA rules. The MPCA indicated that this determination would be better made in chapter 7050.[41] In response, the Board deleted the reference to chapter 7050. The Board has demonstrated that rule part 8420.0105 is needed and reasonable, as modified. The proposed modification is not a substantial change from the rule as initially published in the *State Register*.

8420.0110 - Definitions

21. Rule part 8420.0110 sets out definitions of terms used in the WCA rules. Most of the terms defined are not controversial. The terms that were the subject of comments or otherwise need discussion will be specifically addressed. The remaining definitions are found to be needed and reasonable.

Subpart 4 – Agricultural Land

22. Subpart 4 defines "agricultural land" for the purposes of the WCA rules. The Board noted that confusion exists over whether land used for the production of derivative agricultural products (such as ethanol) falls within the rule definition.[42] The Board addressed this situation by adding language clarifying that the principal use of the land must be for the cultivation of plants or raising farm animals. The language also expressly includes former agricultural land enrolled in conservation easements.[43] The proposed rule, as modified, is needed and reasonable to remove potential ambiguity in the type of land included. The proposed modification is not a substantial change.

Subpart 34a – Permanently and Semipermanently Flooded Area of a Type 3, 4, or 5 Wetland

23. Subpart 34a defines portions of type 3, 4, or 5 wetlands that have water present for a sufficient period of time to leave evidence on the landscape. Mark Kjolhaug, Kjolhaug Environmental Services Company noted that the proposed rule differs from the approach taken in Circular 39 and the Cowardin document.[44] The Board indicated that the approach in subpart 34a is consistent with the DNR's approach in chapter 6115 (setting the Ordinary High Water Level (OHWL) of public waters).[45] Michael Whitt, President of the Wetland Delineators Association (WDA), expressed

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[41] Ex. 15 at 1.
[42] Ex. 4 at 7.
[43] Id. at 1-2.
[44] Ex. 38. The Cowardin document is entitled *Classification of Wetlands and Deepwater Habitats of the United States* (Cowardin, et al. 1979 edition).
[45] Ex. 15 at 2.

concern that using the OHWL would cause confusion due to a conflict with the DNR and the absence of technical training.[46] Ronald Peterson, President of Peterson Environmental Consulting, asserted that the use of the DNR approach is inconsistent with the Board's jurisdiction as set by statute.[47] Consistency between agencies is an express goal of the Legislature in directing the Board to adopt these rules.[48] The proposed rule provides consistency in wetland regulation. The definition does not purport to limit the Board's jurisdiction over wetlands. The Board has demonstrated that subpart 34a is needed and reasonable.

Subpart 54a –Wetland Type

24. Subpart 54a defines wetland type as a classification as set out in the U.S. Fish and Wildlife Service Circular 39. The Board has proposed to add a reference to the Cowardin document as a "separate, parallel wetland typing that may be used to characterize components of a wetland.[49] The SONAR indicated that the Cowardin document is used for clarification throughout the rules.[50] The rule was modified to provide reference to both the available year of issue and the most recent reprint. The Board has demonstrated that subpart 54a is needed and reasonable. The new language is not a substantial change.

Municipal

25. The system for eliminating the net loss of wetlands relies on credits obtained by applicants for performing work that restores or creates wetlands to replace those taken by a project. Obtaining wetland replacement credit for using buffers around projects depends on the size of the buffer. The required size differs between municipal and nonmunicipal areas. Commentators objected that the rule lacked a definition of "municipal." The Board responded by proposing to incorporate a reference to the definition of the term in Minn. Stat. § 103G.005. The reference is needed and reasonable and does not constitute a substantial change.

8420.0112 – Incorporation by Reference

26. Application of the WCA rules requires consideration and adoption of various management practices by LGUs. To facilitate the use of these management practices, rule part 8420.0112 incorporates by reference a number of commonly used documents. The Board added language to incorporate subsequent updates. The Board modified the rule part to reference an earlier edition of Circular 39, since the later edition appears to be out of print and unavailable. The Board also clarified that a strikethrough of item N (incorporating a publication of the Minnesota Storm Water Advisory Group) was inadvertent.[51] The Board has demonstrated that the incorporation

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[46] Ex. 29 at 2.
[47] Ex. 48 at 3.
[48] Laws of Minnesota 2000, Chapter 382, Section 20.
[49] Ex. 14 at 1037.
[50] Ex. 4 at 9.
[51] Ex. 15 at 2.

of the documents listed in part 8420.0112 is needed and reasonable. The proposed modifications are not substantial changes.

8420.0112 – Exemption Standards

27. Various types of activities that are exempt from the wetland replacement plan requirements are set out in rule part 8420.0112. Subpart 1 sets out the standards for land to meet the agricultural activities exemption. The Board originally proposed eliminating references to "set aside" land, since the term is no longer used. The Board proposed to modify the rule to retain the limitation that only wetland types 1 and 2 are eligible for the exemption.[52] The Board had not intended to suggest that the exemption applied to any other wetland types.[53] The rule, as modified, is needed and reasonable. The proposed modification is not a substantial change.

28. Subpart 9 sets out the standards for de minimis exceptions.[54] The Board originally proposed language developed amongst stakeholders to determine the dominant wetland type for a project area. The dominant wetland type within 1000 feet of the project was to be used for wetlands greater than 40 acres. After receiving numerous comments about the feasibility of the 1000-foot measurement, the Board modified the subpart to use a 300-foot measurement.[55] The Minnesota Center for Environmental Advocacy (MCEA) objected to the 300-foot measurement as allowing impacts to wetlands that should be subject to the WCA permit review and mitigation process.[56] The point of a de minimis exception is that, while some impact may be present, the impact within some distance of the project location is typically so minor that the permitting and mitigation process is unduly burdensome. The Board has demonstrated the 300-foot limitation to be needed and reasonable.

29. The Board also added language developed at the last stakeholder meeting concerning the prohibition against combining exemptions. The modification clarifies how exemptions are to be treated. For example, linear projects that extend between discrete wetlands could qualify for an exemption in each wetland without "combining" the exemptions.[57] MCEA objected to the modification as it could "broaden the WCA exemptions and weaken WCA's protection of wetlands ...."[58] The Board withdrew the clarifying modification, returning the sentence to the wording in the existing rule. The subpart, as finally proposed, is needed and reasonable. The proposed modifications are not substantial changes.

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[52] Ex. 14 at 1040.
[53] Ex. 14 at 2.
[54] The term is derived from the Latin maxim, "*de minimis non curat lex*" meaning "the law does not concern itself with trifles." Black's Law Dictionary (7th Ed. 1999).
[55] Ex. 15 at 3.
[56] Ex. 44 at 2.
[57] Ex. 15 at 3.
[58] Ex. 44 at 3.

8420.0200 – Determining Local Government Unit; Duties

30. For some projects, the affected area falls across LGU boundaries. Subpart 1 of rule part 8420.0200 sets out the method of assigning responsibility to a single LGU under that circumstance. The Board also added a reference to the State as an LGU, where the activity occurs on state land. Subpart 2 lists the responsibilities of each LGU under the WCA rules. Item A requires that LGUs provide "knowledgeable and trained staff" to manage project reviews. Items B and C afford LGUs the option of delegating decisions to staff (with appeal to appointed or elected officials) and charging fees "necessary to cover the reasonable costs" of implementing the review process and advising applicants.

31. Jeffrey Broberg, Licensed Geologist for McGhien Betts Environmental Services, indicated that some LGU staff are not always knowledgeable and trained as required by the rule.[59] The WDA urged that all participants in the wetland determination process meet established standards.[60] Kitty Tepley, WCA Coordinator for Todd Soil & Water Conservation District, asserted that most LGUs and TEPs have well trained and experienced staff available to perform their functions.[61] Jeffrey Broberg expressed concern the LGUs with few applications would charge excessive fees to cover annual salaries of staff.[62] The WDA objected to the apparent conflict of interest between LGUs accepting fees that appear to be for consulting from applicants and then deciding on their applications.[63] The Board responded that the fee provisions were part of Minn. Stat. § 103.2242(5) and Laws of Minnesota 2000, Chapter 382, Section 20.[64] The Board noted that advice is provided to LGUs as to how conflicts of interest can be avoided.[65] The rule is consistent with the governing statutory provisions and is needed and reasonable.

8420.0210 – Exemption Determinations

32. Landowners have the option of seeking an exemption determination from the appropriate LGU before conducting work. Rule part 8420.0210 sets out the manner in which the LGU makes that determination. The Board originally proposed language to allow LGUs to consider applications incomplete until field verification can be performed. The intent was to avoid situations where the LGU could not conduct the verification due to weather or other conditions within sixty days of the application.[66] MCEA supports the originally proposed language as preventing LGUs from "being held hostage to the narrow 60-day deadline in Minnesota Statutes 15.99."[67] That statute does set a sixty-day requirement. But the statute also provides an extension period of up to sixty days

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[59] Transcript at 71.
[60] Ex. 29 at 3.
[61] Ex. 34.
[62] *Id.* at 72-73.
[63] Ex. 29 at 3-4.
[64] Ex. 46 at 3.
[65] *Id.*; Ex. 23.
[66] Ex. 15 at 3.
[67] Ex. 44 at 3.

for an LGU, requiring only that the applicant be notified in writing of the reason for extension and its anticipated length.[68] The Board withdrew the proposed language regarding incomplete applications. The Board also deleted a part of the existing rule that characterized the statute as "generally" requiring a decision within 60 days of receipt of a complete application. The modified rule comports with the statutory language regarding applications and removes existing language that does not function as a rule. Rule part 8420.0210, as modified, is needed and reasonable. The modification does not constitute a substantial change.

8420.0220 – No Loss Determinations
8420.0225 – Wetland Boundary or Type Determinations
8420.0230 – Replacement Plan Determinations

33. Various determinations to be made by LGUs are set out in rule parts 8420.0220, 8420.0225, and 8420.0230. Each of these parts contained the incomplete application language proposed in part 8420.0210 and discussed in the foregoing Finding. The same conflict with Minn. Stat. § 15.99 is present in each usage of that language. The Board withdrew the proposed language regarding incomplete applications from each of these rule parts. The Board also removed the "generally" statement (discussed in the foregoing Finding) from rule parts 8420.0220 and 8420.0230. The Board removed language duplicating that in Minn. Stat. 15.99 from rule part 8420.0225. The modified rules comport with the statutory language regarding applications. Rule parts 8420.0220, 8420.0225, and 8420.0230, as modified, are needed and reasonable. The modification does not constitute a substantial change in any of the rule parts.

8420.0240 – Technical Evaluation Panel

34. Rule part 8420.0240 establishes for each LGU a technical evaluation panel (TEP) of consisting of a Board staffer, an employee of the Soil and Water Conservation District of the County, and an appointee from the LGU. Each member must be a technical professional. The Board proposed adding a member from the DNR where the project affects public water or public waters wetlands. The DNR member would be required where the project is located in a shoreland wetland protection zone or within 1,000 feet of public waters or public waters wetlands. The TEP issues findings and recommendations on wetland issues to the LGU, which makes the final decision to approve or deny the application.

35. Jeffrey Broberg objected to the decision being made by LGUs, in situations where the decisionmakers lack technical expertise. The applicable statute is clear that the governing body of the LGU is the decisionmaker on such applications.[69] The Board noted that a critical element in appeals has been documentation of an LGU's reason for a decision, particularly where the LGU acted contrary to the TEP recommendation.[70] To address the need for such documentation, the Board modified

[68] Minn. Stat. § 15.99, subd. 3(f).
[69] Minn. Stat. § 103G.2242, subd. 1(b).
[70] Ex. 15 at 4.

part 8420.0240 to require the LGU to state its reasons when the LGU does not follow the TEP recommendation. MCEA expressed concern that the language focused on the TEP recommendation and neglected the TEP findings.[71] The Board modified the proposed rule to add a reference to the TEP findings when the LGU is making its decision. The rule, as modified, is needed and reasonable. The modification does not constitute a substantial change.

36. BAM urged that the TEP process be opened to participation by the applicant. The commentators suggested that the Open Meeting Law[72] and constitutional due process required that the TEP meetings be open.[73] The Board analyzed the issue and concluded that the TEP process does not fall within the classes of meetings that are required to be open.[74] The Board noted the TEPs can and do request additional information from applicants where needed to arrive at a recommendation.[75] Requiring access to the TEP process was considered by the Board to be detrimental to the technical advisory nature of the process.[76] The applicant's right to hearing is met when the LGU meets to decide on the application. The Board's approach has been demonstrated to be needed and reasonable and consistent with the Open Meeting Law and constitutional due process.

8420.0260 – Penalty for Local Government Unit Failure to Apply Law

37. Rule part 8420.260 sets out the standards for LGUs to notify the Board that they are carrying out their responsibilities under the WCA and these rules. LGUs that fail to do so are subject to penalties under item B of the rule part. Such a failure can include not having knowledgeable and experienced staff. The Board modified the rule to replace "expertise" with "experience" to avoid confusion as to what standard must be met by the LGUs. MCEA urged greater clarification of the rule by requiring some combination of education and practical experience.[77] The Board declined to make that change.

38. The Board is expressly authorized to impose penalties on LGUs for noncompliance.[78] While conducting the proceedings to determine if an LGU is noncompliant, the Board is authorized to impose a moratorium on WCA-governed projects. The Minnehaha Creek Watershed District urged that the process be streamlined by shortening the LGU response period and requiring a hearing (to remove the time needed for Board authorization).[79] The commentator also suggested designating another LGU to make required assessments while a moratorium is in place on the LGU with jurisdiction. The Board responded that the issues in the process are

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[71] Ex. 44.
[72] Minn. Stat. Chap. 13D.
[73] Ex. 35 at 5.
[74] Ex. 24.
[75] Ex. 46 at 3.
[76] *Id.*
[77] Ex. 44 at 4.
[78] Minn. Stat. § 103G.2242, subd. 1(c).
[79] Ex. 47 at 1-2.

complicated and need time to properly assess.[80] There is no evidence in the record to suggest that the time required to process sanction determinations is unreasonable. Reassigning authority for LGU determinations is outside the statutory process and potentially renders moratoria less effective as sanctions. The proposed rule, as modified, is needed and reasonable. The change does not constitute a substantial change.

8420.0530 – Replacement Plan Components

39. Documentation supporting the means of replacing impacted wetland acreage is required under part 8420.0530. For replacement wetlands, the standards are set out in item D. Item D(14) requires a five-year vegetation management plan for establishing appropriate plants and controlling invasive or nonnative species. In another portion of the rule the standard was "prevent and minimize" such harmful plant species. Based on comments from participants, the Board proposed "control" of invasive, nonnative plants as part of the five-year plan. The WDA expressed concern that "control" is an ambiguous standard.[81] WDA urged that a percentage of invasive plant be used to clarify the rule.[82] MCEA asserted that, as a standard, control is too lax to prevent adverse impact on replacement wetlands. Mark Kjolhaug of Kjolhaug Environmental Consulting indicated that even controlling invasive plants can be a challenging effort that consumes many work hours on an ongoing basis.[83]

40. At the hearing, the Board clarified that the standard was not eradication or elimination and that the required amount of control would vary depending on the circumstances of the wetland replacement.[84] The Board modified the rule to eliminate references to two examples to prevent any misapprehension that only those two species need be controlled. Rob Bouta of Westwood Professional Services supported the control standard as implying "a reasonable level of effort to prevent and minimize the invasion of non-native, invasive species."[85] The commentator expressed concern that one species, reed canary grass, was a frequently invasive plant for which there was no effective control method.[86] Control is a standard that adapts well to the case-by-case nature of wetland replacement issues. The Board has demonstrated the need and reasonableness of control as the standard for addressing the problem of non-native, invasive plant species in replacement wetlands. The rule, as modified, is needed and reasonable. The change does not constitute a substantial change.

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[80] Ex. 53 at 10.
[81] Transcript at 48.
[82] Ex. 29 at 6.
[83] Transcript at 106.
[84] Transcript at 31.
[85] Transcript at 118.
[86] Id. at 119.

8420.0540 – Replacement Plan Criteria

41. A central tenet of the WCA is the concept of "no net loss" of wetlands.[87] Where a project removes or affects wetlands, an equivalent amount of wetland must be created or restored. The replacement of the equivalent amount of wetland is done according to a plan subject to consideration and approval of the LGU. Rule part 8420.0540 sets out an order of preference to be applied by the LGU in considering proposed replacement plans. The WDA considered "restoration of partially drained wetlands as having the highest probability of success among the various techniques to restore or create wetlands."[88] The DNR requested the rule be modified to prefer restoration over other methods to ensure that the no net loss goal is met.[89] The Board modified the language in subpart 2 to clarify that the preference for wetland restoration over creation included a preference for restoration of completely impacted wetlands over other methods of replacement. The proposed rule, as modified, is needed and reasonable. The change does not constitute a substantial change.

8420.0541 – Actions Eligible for Credit

42. A system of credits is used to assess compliance with the no net loss goal of the WCA. Replacement credit, public value credit, and banking credit are the means used in the WCA rule for measuring the offset of a projects impact on wetlands. Part 8420.0541.[90] The reasons for this language were set out in the SONAR as:

> The purpose of these revisions and modifications are five-fold: (1) consolidate the location of replacement criteria into one spot in the rule; (2) provide incentives for restoration of degraded wetlands across the state; (3) provide incentives for vegetative and hydrologic restoration of wetlands that are degraded across the state; (4) clarify portions of the rule that are vague, most notably, the storm water facilities and gravel pit items; and (5) to develop standards for replacement that are likely to result in perpetual, fully functioning , minimum maintenance wetlands based on the most recent scientific research and technical capabilities in order to maintain a no-net-loss of wetland quantity, quality, and biological diversity as required by Minnesota Statute 103A.201.[91]

43. A variety of restoration methods and types of land are discussed in the rule part, including the option to use of buffer zones to protect wetland areas. As originally proposed, subparts 3 and 6 increase the size of the upland buffer zone to be eligible for credit. The existing rule requires a minimum of 16.5 feet of width. The proposed subpart 3 originally sought an average width of 50 feet (for wetlands up to 2.5 acres) and 100 feet (for wetlands larger than 2.5 acres).

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[87] *See* Minn. Stat. §§ 103A.201, subd. 2(b)(1), 103G.222.
[88] Ex. 29 at 6.
[89] Ex. 15 at 5.
[90] The Board recodified subpart 2(D) of part 8420.0540 as part 8420.0541. Ex. 5 at 3.
[91] Ex. 4 at 19.

44. The Board modified the rule to require 50-foot buffer zones in municipal areas and 100-foot buffer zones in nonmunicipal areas before credit could be granted. BAM asserted that the change is arbitrary, unreasonable and is an unconstitutional taking.[92] BAM also objected to the distinction between municipal and nonmunicipal areas as being undefined and ambiguous.[93] Michael Burton, Land Development Project Manager for Lundgren Brothers Construction, maintained that adding unwarranted buffer areas would reduce the density and increase the cost of housing.[94] Leslie Stovring, Environmental Coordinator for the City of Eden Prairie, related that Eden Prairie requires buffers from 25 to 50 feet. She indicated that requiring both native, noninvasive vegetation and a 50-foot buffer is "not realistic or practical."[95] Ellen Sones and David Thill, Specialists for the Hennepin Conservation District, indicated that 100-foot buffers in the metropolitan area would be difficult to achieve. The Hennepin Conservation District urged the use of 50 to 25 foot buffers.[96] Wayne Jacobson, P.S.S. and P.W.S. for Applied Environmental Services, suggested a variety of buffer widths ranging from 16.5 feet to 100 feet based on location, wetland type, wetland quality, riparian impact, and topography.[97] MCEA supported the 100-foot buffer requirement, but opposed any reduction of buffers to below 75 feet in width.[98]

45. Beth Kunkel, URS Corporation, urged changing the standard of measurement from a minimum width to an average width. The DNR urged changing the optional buffer zone standards to mandatory requirements as a means of protecting wildlife.[99] The DNR also expressed concern that the credit system could result in a net loss of wetlands.[100]

46. Upon consideration of the comments, the Board modified the proposed rule to remove references to size from subpart 3 and refer to subpart 6 for the buffer standards. In subpart 6, the Board modified the proposed width of buffers to an average of 50 feet in nonmunicipal areas and 25 feet in municipal areas. The Board also set the replacement credit as not exceeding 100 percent of the replacement wetland area. The Board supported the changes as making the option reasonably available to applicants, balancing the current state of scientific research, practical application, flexibility, and simplicity.[101] The proposed rule, as modified, is needed and reasonable. The change does not constitute a substantial change.

8420.0548 – Special Considerations

47. Rule part 8420.0548 sets out other factors that are outside of the specific wetland impacts which must be considered by LGUs. Subpart 2, as originally proposed,

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[92] Ex. 35 at 2-4.
[93] *Id.* at 4.
[94] Ex. 36.
[95] Ex. 37 at 3-4.
[96] Ex. 42 at 2.
[97] Ex. 28.
[98] Ex. 44 at 5.
[99] Ex. 40 at 3-4.
[100] Ex. 40 at 2.
[101] Ex. 53 at 5.

required denial by the LGU where there was an endangered species present, the activity would constitute a taking, and the Commissioner of Natural Resources did not issue a permit authorizing that taking. DNR suggested, based on conversations with the U.S. Fish and Wildlife Service, that the subpart could be clarified by revision and suggested language to remove unnecessary references.[102] The Board agreed with the suggestion and replaced the language of subpart 2 with the language suggested by DNR.[103] The rule, as modified, is needed and reasonable. The new language does not constitute a substantial change.

8420.0550 – Wetland Replacement Standards

48. Specific requirements to be met in conducting wetland replacement are set out in rule part 8420.0550. The Board proposed expressly requiring the LGU to determine what measures would be necessary to effectively replace the function and value of wetlands lost through a project in subpart 1. Subpart 2 sets out standards to be followed in wetland replacement (unless the TEP determines that a standard is not appropriate). As originally proposed, reasonable steps were required to "prevent and manage" nonnative, invasive species. The Board changed "prevent and manage" to "control" in describing the obligation to limit invasive plant species to conform with part 8420.0530 D(14) (discussed above). The Board emphasized that the term "control," as used in the rule, means managing the invasive species to allow an opportunity for native non-invasive plants to become established.[104]

49. MCEA asserted that failure to prevent invasive plants from being established in an area eliminated the offset of the area on the impact to a wetland. Therefore, MCEA suggested that such a failure should result in a loss of any wetland credit for the affected area.[105] The Board has demonstrated that control is a reasonable standard to apply with regard to the problem of nonnative, invasive plant species. The change applies the same standard in similar assessments. The rule, as modified, is needed and reasonable. The new language does not constitute a substantial change.

8420.0730 – Administration and Management Authority

50. The Board operates a state wetland bank for implementing the banking portions of the WCA rules. Subpart 2 of part 8420.0730 establishes the procedures for handling deposits to the bank. The Board proposes language granting itself the discretion to reject or modify deposit applications. That discretion is limited by the standard to applications that have missing parts, are incorrect, or are inconsistent with the WCA rules. The proposed language provides adequate limitations against the exercise of undue discretion. The rule is needed and reasonable as proposed.

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[102] Ex. 40 at 5.
[103] Ex. 53 at 10.
[104] Ex. 53 at 7.
[105] Ex. 44 at 4.

8420.0740 – Procedures

51. The procedures for establishing credits for deposits are set out in part 8420.0740. The existing rule allowed credit of up to 100 percent for deposited wetland acreage of up to ten acres and up to 90 percent for deposited wetland acreage of more than ten acres. The Board replaced this approach with the LGU's decision, based on the TEP recommendation, and supported by field measurements. The Board also changed the system of credits system to allow 15 percent immediately eligible for deposit if certain conditions are met. These modification are needed and reasonable.

52. Subpart 1 F. contains proposed language referring to Minn. Stat. § 15.99 process for LGU decisions. This proposed language includes the "generally requires" phrase that the Board deleted from parts 8420.0220 and 8420.0230, subpart 2. While the phrase is not strictly a rule, the continuing presence of that language does not rise to the level of a defect in the proposed rule. The Board may choose to delete the phrase to render the rules internally consistent, but it is not required to do so to render the rule needed or reasonable. Making the change, should the Board opt to do so, does not constitute a substantial change.

Based upon the foregoing Findings of Fact, the Administrative Law Judge makes the following:

CONCLUSIONS

1. The Board gave proper notice of this rulemaking hearing.

2. The Board has fulfilled the procedural requirements of Minn. Stat. § 14.14, subds. 1, 1a, and 2, and all other procedural requirements of law or rule.

3. The Board has demonstrated its statutory authority to adopt the proposed rules, and has fulfilled all other substantive requirements of law or rule within the meaning of Minn. Stat. §§ 14.05, subd. 1, 14.125, and 14.50 (i) and (ii).

4. The Board has demonstrated the need for and reasonableness of the proposed rules by an affirmative presentation of facts in the record within the meaning of Minn. Stat. §§ 14.14, subd. 2 and 14.50 (iii).

5. The additions and amendments to the proposed rules that were suggested by the Board after publication of the proposed rules in the State Register on February 11, 2002, do not result in rules that are substantially different from the proposed rules as published in the State Register within the meaning of Minn. Stat. §§ 14.05, subd. 2 and 14.15, subd. 3.

6. Any Findings that might properly be termed Conclusions and any Conclusions that might properly be termed Findings are hereby adopted as such.

7. A Finding or Conclusion of need and reasonableness in regard to any particular rule subsection does not preclude and should not discourage the Board from

further modification of the proposed rules based upon an examination of the public comments, provided that no substantial change is made from the proposed rules as originally published, and provided that the rule finally adopted is based upon facts appearing in the record.

Based upon the foregoing Conclusions, the Administrative Law Judge makes the following:

RECOMMENDATION

IT IS HEREBY RECOMMENDED that the proposed rules be adopted.

Dated this 15th day of May, 2002.

/s/ Steve M. Mihalchick
STEVE M. MIHALCHICK
Administrative Law Judge

Reported: Transcript prepared.
Kirby A. Kennedy & Associates

Board of Water and Soil Resources

Adopted Permanent Rules Relating to Wetlands

8420.0100 PURPOSE.

This chapter implements the Wetland Conservation Act of 1991, Laws 1991, chapter 354, as amended by Laws 1993, chapter 175; Laws 1994, chapter 627; Laws 1996, chapter 462; Laws 2000, chapter 382; and Laws 2001, chapter 146. This chapter shall be interpreted to implement the purpose of the act, which is to:

For text of items A to D, see M.R. 1999

8420.0102 INTRODUCTION.

The Wetland Conservation Act achieves the purpose in part 8420.0100 by requiring persons proposing to impact a wetland by draining, excavating, or filling to first, attempt to avoid the impact; second, attempt to minimize the impact; and finally, replace any impacted area with another wetland of at least equal function and value. As specified in greater detail in part 8420.0122, certain projects are exempt from the requirement for a replacement plan under the Wetland Conservation Act.

The Wetland Conservation Act is administered by local government units with oversight provided by the Board of Water and Soil Resources. Enforcement of the act is provided by Department of Natural Resources conservation officers and other peace officers. The Wetland Conservation Act became effective on January 1, 1992, and this chapter and portions of Minnesota Statutes, chapters 103A, 103B, 103E, 103F, and 103G, govern its implementation. The public is encouraged to contact their local government unit or soil and water conservation district for general information on wetlands and the interpretation of this chapter. This part is for general introductory information only. The other parts of this chapter shall control over this part.

8420.0103 WETLAND FUNCTIONS FOR DETERMINING PUBLIC VALUES.

The public values of wetlands must be based upon the functions of wetlands, including:

For text of items A to F, see M.R. 1999

G. other functions, values, and public uses as identified in board-approved wetland evaluation methods.

The board shall maintain a publicly available list of preapproved wetland evaluation methods.

8420.0105 SCOPE.

Wetlands must not be drained, excavated, or filled wholly or partially unless replaced by restoring or creating wetland areas of at least equal public value. This chapter regulates excavation in the permanently and semipermanently flooded areas of type 3, 4, or 5 wetlands, and in all wetland types if excavation includes filling or draining or results in conversion to nonwetland.

This chapter does not prevent the use of the bed of wetlands for pasture or cropland during dry periods if dikes, ditches, tile lines, or buildings are not constructed and the agricultural use does not result in the drainage of the wetlands. This chapter does not prevent filling a wetland to accommodate wheeled booms on irrigation devices if the fill does not impede normal drainage. This chapter does not prevent control of noxious weeds if the control does not drain or fill the wetland.

This chapter does not apply to the public waters and public waters wetlands as defined in Minnesota Statutes, section 103G.005, subdivisions 15 and 15a, which have been inventoried by the commissioner of natural resources according to Minnesota Statutes, section 103G.201, except that:

A. for projects affecting public waters wetlands, and for public transportation projects affecting the wetland areas of public waters, when the commissioner waives the requirement

for a public waters work permit consistent with chapter 6115, the local government unit shall make replacement, banking, wetland boundary, wetland type, no-loss, public road project notification, or exemption determinations; or

B. for projects affecting both public waters and wetlands, the local government unit may, by written agreement with the commissioner, waive the requirement for a replacement plan, no-loss, or exemption determination if a public waters work permit is required and the commissioner includes the provisions of this chapter in the public waters work permit.

This chapter is in addition to other regulations including those of the United States Army Corps of Engineers, United States Department of Agriculture, Minnesota state agencies, watershed districts, and local governments.

~~This chapter may be used as a means to determine compliance with the standards for physical alterations of wetlands pursuant to chapter 7050 if the standards contained in this chapter are determined by the board and the commissioner of the pollution control agency to meet or exceed those in chapter 7050 and the local government unit agrees to implement them.~~

This chapter does not apply to peat mining as defined in Minnesota Statutes, section 93.461, which is subject to the permit to mine and reclamation requirements of Minnesota Statutes, sections 93.44 to 93.51, and the rules of the commissioner adopted under those sections.

This chapter does not require state agencies to obtain local government unit approvals. However, state agencies shall coordinate with local government units when conducting activities in wetlands within the jurisdiction of the local government unit. The state agencies shall follow the same sequencing and replacement requirements as prescribed by this chapter.

In addition to the provisions of this chapter, governmental decisions on draining, excavating, and filling of wetlands are subject to Minnesota Statutes, chapters 116B and 116D, which provide that an action which is likely to have material adverse effects on natural resources must not be allowed if there is a feasible and prudent alternative consistent with the requirements of the public health, safety, and welfare and the state's paramount concern for the protection of its natural resources. Economic considerations alone do not justify adversely effective actions.

8420.0110 DEFINITIONS.

For text of subps 1 to 1b, see M.R. 1999

Subp. 2. **Act.** "Act," when not used in reference to a specific state or federal act, means the Wetland Conservation of 1991, Laws 1991, chapter 354, as amended.

Subp. 3. **Activity.** "Activity" means draining or filling a wetland, wholly or partially, or excavating in permanently and semipermanently flooded areas of type 3, 4, or 5 wetlands.

Subp. 4. **Agricultural land.** "Agricultural land," means land used for horticultural, row, close grown, pasture, and hayland crops; growing nursery stocks; animal feedlots; farmyards; associated building sites; and public and private drainage systems and field roads located on any of these lands. "Agricultural land" must be used principally for the cultivation or production of plants or farm animals and includes former agricultural land that is presently enrolled in conservation easements.

Subp. 5. **Repealed, 22 SR 1877**

Subp. 5a. **Applicant.** "Applicant" is a person, corporation, government agency, or organization that applies for an exemption, no-loss, wetland boundary, wetland type, replacement plan, or banking plan determination or equivalent,

or someone who makes an application to withdraw wetland banking credits from the wetland bank.

For text of subps 6 to 10, see M.R. 1999

Subp. 10a. **Contractor.** "Contractor" means an individual, business, or other organization providing a product or service to a landowner or the landowner's agent.

For text of subp 11, see M.R. 1999

Subp. 12. **Day.** "Day" means a calendar day unless specified otherwise. The day of the event shall not be used in counting any time period.

Subp. 13. **Repealed, 22 SR 1877**

Subp. 13a. **Degraded wetland.** "Degraded wetland" means a wetland that provides minimal wetland function and value due to human activities such as drainage, diversion of watershed, filling, excavating, pollutant runoff, and vegetative or adjacent upland manipulation.

For text of subps 14 to 16, see M.R. 1999

Subp. 17. **Excavation.** "Excavation" means the displacement or removal of substrate, sediment, or other materials by any method.

Subp. 18. **Fill.** "Fill" means any solid material added to or redeposited in a wetland that would alter its cross-section or hydrological characteristics, obstruct flow patterns, change the wetland boundary, or convert the wetland to a nonwetland. It does not include posts and pilings for linear projects such as bridges, elevated walkways, or powerline structures, or structures traditionally built on pilings such as docks and boathouses. It does include posts and pilings that result in bringing the wetland into a nonaquatic use or significantly altering the wetland's functions and values, such as the construction of office and industrial developments, parking structures, restaurants, stores, hotels, housing projects, and similar structures. It does not include slash or woody vegetation, if the slash or woody vegetation originated from vegetation growing in the wetland and does not impair the flow or circulation of water or the reach of the wetland.

For text of subps 18a to 20a, see M.R. 1999

Subp. 20b. **Hayland.** "Hayland" means an area that was mechanically harvested or that was planted with annually seeded crops in a crop rotation seeded to grasses or legumes in six of the last ten years.

For text of subps 21 and 22, see M.R. 1999

Subp. 23. **Impact.** "Impact" means a loss in the quantity, quality, or biological diversity of a wetland caused by draining, filling, or excavating, as described in part 8420.0105.

Subp. 24. **Impacted wetland.** "Impacted wetland" means a wetland that has been partially or wholly subjected to an impact.

For text of subp 25, see M.R. 1999

Subp. 26. **Repealed, 22 SR 1877**

Subp. 27. **Repealed, 22 SR 1877**

For text of subp 28, see M.R. 1999

Subp. 29. **Landowner.** "Landowner" means a person or entity having the rights necessary to drain, excavate, or fill a wetland, or to establish and maintain a replacement or banked wetland. Typically, the landowner is a fee title owner or a holder of an easement, license, lease, or rental agreement providing the necessary rights. The right must not be limited by a lien or other encumbrance that could override the obligations assumed with the replacement or banking of a wetland.

For text of subps 29a and 30, see M.R. 1999

Subp. 30a. **Local water plan.** "Local water plan" means either a watershed plan pursuant to Minnesota Statutes, sections 103B.201 to 103B.255, a comprehensive local water management plan pursuant to Minnesota Statutes, sections 103B.301 to

103B.355, or a watershed management plan pursuant to Minnesota Statutes, section 103D.401.

For text of subp 31, see M.R. 1999

Subp. 31a. **Minor watershed.** "Minor watershed" means one of the 5,600 minor watersheds established by the Minnesota Department of Natural Resources for the "1979 Watershed Mapping Project" pursuant to Laws 1977, chapter 455, section 33, subdivision 7, paragraph (a).

Subp. 31b. **Municipal.** "Municipal" means within a municipality as defined in Minnesota Statutes, section 103G.005, subdivision 12.

Subp. 31c. **New wetland credit or NWC.** "New wetland credit" or "NWC" means wetland replacement credit that can be used for any portion of wetland replacement.

Subp. ~~31c.~~ 31d. **Native vegetation.** "Native vegetation" means plant species that are indigenous to Minnesota, or that expand their range into Minnesota without being intentionally or unintentionally introduced by human activity and are classified as native in the Minnesota Plant Database (Minnesota DNR, 2002).

Subp. 32. **Nondegraded wetland.** "Nondegraded wetland" means a wetland that has not been degraded by human activities.

Subp. 32a. **Noninvasive vegetation.** "Noninvasive vegetation" means plant species that do not typically invade or rapidly colonize existing, stable plant communities.

Subp. 32b. **Nonwetland.** "Nonwetland" means upland areas or previously converted areas that do not meet the criteria for classification as a jurisdictional wetland using the United States Army Corps of Engineers Wetland Delineation Manual (January 1987) and deepwater habitats identified using "Classification of Wetlands and Deepwater Habitats of the United States" (Cowardin et al., 1979 edition).

Subp. 32c. **On site.** "On site" means within or directly adjacent to a project.

Subp. 33. **Pasture.** "Pasture" means an area that was grazed by domesticated livestock or that was planted with annually seeded crops in a crop rotation seeded to grasses or legumes in six of the last ten years.

For text of subp 34, see M.R. 1999

Subp. 34a. **Permanently and semipermanently flooded area of a type 3, 4, or 5 wetland.** "Permanently and semipermanently flooded area of a type 3, 4, or 5 wetland" means the portion of a type 3, 4, or 5 wetland below the level where the water has been maintained for a sufficient period of time to leave evidence upon the landscape, commonly the point where the natural vegetation changes from predominantly aquatic to predominantly terrestrial.

Subp. 34b. **Presettlement wetland.** "Presettlement wetland" means a wetland or public waters wetland that existed in ~~this state~~ Minnesota at the time of statehood in 1858.

For text of subps 35 to 37, see M.R. 1999

Subp. 37a. **Public value credit or PVC.** "Public value credit" or "PVC" means wetland replacement credit that can only be used for the portion of wetland replacement required above a 1:1 ratio.

For text of subp 38, see M.R. 1999

Subp. 39. **Public waters wetlands.** "Public waters wetlands" means public waters wetlands, as defined in chapter 6115.

Subp. 39a. **Public waters.** "Public waters" means public waters as defined in part 6115.0170.

Subp. 40. **Replacement wetland.** "Replacement wetland" means a wetland restored or created or an area designated in part 8420.0541, or the equivalent, to replace wetland area or public values of wetland functions lost at an impacted wetland.

Subp. 40a. **Responsible party.** "Responsible party" means an individual, business, or other organization causing the draining, excavation, or filling of wetlands on the property of another, with or without the landowner's permission or approval.

Subp. 41. **Restoration.** "Restoration" means reestablishment of an area that was historically wetlands or remains as a degraded wetland.

For text of subps 42 and 43, see M.R. 1999

Subp. 44. **See repealer.**

For text of subps 44a to 45, see M.R. 1999

For text of subp 46, see M.R. 1999

Subp. 47. **Repealed, 22 SR 1877**

Subp. 47a. **State wetland banking system, wetland bank, or bank.** "State wetland banking system," "wetland bank," or "bank" means a system of identifying wetlands restored or created for replacement credit, providing for, and facilitating and tracking the exchange of wetland banking credits for projects that require replacement plans or wetland mitigation required by other local, state, or federal authorities.

Subp. 47b. **Structure.** "Structure" means any object erected or placed in, under, over, or anchored or attached to, a wetland area.

For text of subp 48, see M.R. 1999

Subp. 49. **Utility.** "Utility" means a sanitary sewer, storm sewer, potable water distribution, and transmission, distribution, or furnishing, at wholesale or retail, of natural or manufactured gas, petroleum products, electricity, telephone, or radio service or communications.

For text of subps 50 and 51, see M.R. 1999

Subp. 51a. **Wetland banking credits.** "Wetland banking credits" means acres or parts of acres of restored or created wetland or adjacent upland buffer described by type and topographic setting, or areas as described in parts 8420.0540 and 8420.0541, that have been approved for deposit in the wetland bank.

Subp. 52. **Wetlands, a wetland, the wetland, or wetland area.**

For text of items A and B, see M.R. 1999

C. Wetlands does not include public waters wetlands and public waters unless reclassified as wetlands by the commissioner under Minnesota Statutes, section 103G.201.

For text of item D, see M.R. 1999

For text of subps 53 and 54, see M.R. 1999

Subp. 54a. **Wetland type.** "Wetland type" means a wetland type classified according to Wetlands of the United States, United States Fish and Wildlife Service Circular 39 (1956 and 1971 ~~edition~~ editions), as summarized in this subpart. "Classification of Wetlands and Deepwater Habitats of the United States" (Cowardin et al., 1979 edition) is a separate, parallel wetland typing system that may be used to characterize components of a wetland.

For text of items A to H, see M.R. 1999

8420.0112 INCORPORATION BY REFERENCE.

This chapter incorporates by reference the following documents and any subsequent updates, addenda, or derivations related to them, as approved by the board:

A. Wetlands of the United States (United States Fish and Wildlife Service Circular No. 39, 1956 and 1971 ~~edition~~ editions).

For text of items ~~A~~ B to E, see M.R. 1999

F. National Wetland Inventory maps (United States Fish and Wildlife Service).

G. Growing Energy Crops on Minnesota Wetlands: The Land Use Perspective, Anderson and Craig, 1984.

H. Wetland Restoration Guide, Minnesota Board of Water and Soil Resources (December 1982).

I. Vegetation in Restored and Created Wetlands, Minnesota Board of Water and Soil Resources, September 2000.

J. Wildlife Habitat Improvements in Wetlands: Guidance for Soil and Water Conservation Districts and Local Government Units in Certifying and Approving Wetland Conservation Act Exemption Proposals, Minnesota Interagency Wetlands Group, December 2000.

K. Sustaining Minnesota Forest Resources: Voluntary Site-Level Forest Management Guidelines for Landowners, Loggers and Resource Managers. Minnesota Forest Resources Council, St. Paul, 1999.

L. Minnesota Construction Site Erosion and Sediment Control Planning Handbook. Minnesota Board of Water and Soil Resources and the Association of Metropolitan Soil and Water Conservation Districts, St. Paul, 1988.

M. Agriculture and Water Quality: Best Management Practices for Minnesota, Minnesota Pollution Control Agency, St. Paul, 1991.

N. Storm-Water and Wetlands: Planning and Evaluation Guidelines for Addressing Potential Impacts of Urban Storm-Water and Snow-Melt Runoff on Wetlands, Minnesota Storm-Water Advisory Group, 1997.

O. Minnesota Plant Database, Minnesota Department of Natural Resources, St. Paul, 2002.

These documents are available through the state law library, except the National Wetland Inventory maps, which are available at Minnesota soil and water conservation district offices. Except for the Minnesota Plant Database in item O, none of the documents are subject to frequent change.

8420.0115 SCOPE OF EXEMPTION STANDARDS.

Persons proposing to conduct an exempt activity are encouraged to contact the local government unit or the local government unit's designee for advice on determining whether a proposed project is eligible for an exemption and to evaluate alternatives to avoid or minimize wetland impacts.

An activity is exempt if it qualifies for any one of the exemptions, even though it may be indicated as not exempt under another exemption.

These exemptions do not apply to calcareous fens as identified by the commissioner.

No exemptions apply to wetlands that have been previously restored or created as a result of an approved replacement plan. All such wetlands are subject to replacement on subsequent drainage, excavation, or filling.

Wetlands may not be partially drained, excavated, or filled in order to claim an exemption or no-loss determination on the remainder. Therefore, no exemptions or no-loss determinations can be applied to the remaining wetland that would not have been applicable before the impact. Exemptions may not be combined on a wetland that is impacted by a project.

Present and future owners of wetlands drained or filled without replacement under an exemption in part 8420.0122, subparts 1 and 2, item B, can make no use of the wetland area after it is drained, excavated, or filled, other than as agricultural land, for ten years after the draining, excavating, or filling, unless it is first replaced under the requirements of Minnesota Statutes, section 103G.222. Also, for ten years the wetland may not be restored for replacement credit. Except for land in public ownership, at the time of draining, excavation, or filling, the landowner shall record a notice of these restrictions in the office of the county recorder for the county in which the project is located. At a minimum, the recorded document must contain the name or names of the

landowners, a legal description of the property to which the restrictions apply, a statement of the restrictions, the date on which the ten-year period expires, the name of the local government which certified the exemption, if such occurred, the signatures of all owners, and an acknowledgment.

A person conducting an activity in a wetland under an exemption in part 8420.0122 shall ensure that:

A. appropriate erosion control measures are taken to prevent sedimentation of the water;

B. the activity does not block fish activity in a watercourse; and

C. the activity is conducted in compliance with all other applicable federal, state, and local requirements, including best management practices as listed in part 8420.0112, and water resource protection requirements established under Minnesota Statutes, chapter 103H.

8420.0122 EXEMPTION STANDARDS.

Subpart 1. **Agricultural activities.**

A replacement plan for wetlands is not required for:

A. activities in a wetland that was planted with annually seeded crops or was in a crop rotation seeding of pasture grass or legumes in six of the last ten years prior to January 1, 1991. Documentation, such as aerial photographs, United States Department of Agriculture records, or affidavit of landowner must be required by the local government unit to show and use as evidence for this exemption. Land eligible for this exemption must be wetland types 1 and 2;

B. activities in a wetland that is or has been enrolled in the federal Conservation Reserve Program that was planted with annually seeded crops or was in a crop rotation seeding in six of the last ten years prior to being enrolled in the program, and has not been restored with assistance from a public or private wetland restoration program. Federal documentation that the wetland is or has been enrolled in the federal Conservation Reserve Program may be used as evidence for this exemption. The landowner must also meet the same requirements of item A, except that the years required are at least six of the ten years preceding the year of enrollment in the federal Conservation Reserve Program. The landowner must also state in writing that the wetland was not restored with assistance from a public or private wetland restoration fund, or that the restoration was done under a contract or easement providing the landowner with the right to drain the restored wetland;

For text of items C to G, see M.R. 1999

H. agricultural activities that are:

(1) in a wetland that is on agricultural land annually enrolled in or determined to be eligible for benefits under the federal Agriculture Improvement and Reform Act of 1996, Public Law Number 104-127; or

(2) subject to subsequent federal farm program restrictions that meet minimum state standards under this chapter and Minnesota Statutes, sections 103A.202 and 103B.3355, and that have been approved by the board of water and soil resources, the commissioners of natural resources and agriculture, and the pollution control agency. The approved conditions and standards shall be noticed by the board to local government units and published in the State Register. The conditions and standards shall take effect 30 days after publication and remain in effect unless superseded by subsequent statute, rule, or notice in the State Register. This exemption may be applied to agricultural land annually enrolled in the federal Farm Program as long as wetlands are not drained, excavated, or filled beyond what is:

(a) allowed under the other exemptions in

this part;

(b) necessary to replace, maintain, or repair existing private drainage infrastructure with a capacity not to exceed that which was originally constructed; or

(c) replaced at a ratio of 1:1 or greater under United States Department of Agriculture provisions as supported by documentation from the United States Department of Agriculture which must be included as evidence to support this exemption.

If the activity would result in loss of eligibility, the landowner cannot qualify for the exemption.

Subp. 2. **Drainage.**

For text of items A and B, see M.R. 1999

C. A replacement plan is not required for draining, excavating, or filling of wetlands, except for draining types 3, 4, and 5 wetlands that have been in existence for more than 25 years, resulting from maintenance and repair of existing public drainage systems conducted or authorized by a public drainage authority pursuant to Minnesota Statutes, chapter 103E.

D. A replacement plan is not required for draining, excavating, or filling of wetlands, except for draining wetlands that have been in existence for more than 25 years, resulting from maintenance and repair of existing drainage systems other than public drainage systems.

For items C and D, the landowner must provide documentation that the wetlands which will be partially or completely drained by the maintenance have not existed for more than 25 years. Documentation may include, but is not limited to: aerial photographs, climatological records, soil borings, vegetative analysis, elevation surveys, or sworn affidavits.

E. A replacement plan is not required for draining, excavating, or filling of wetlands resulting from activities conducted as part of a public drainage system improvement project that received final approval from the drainage authority before July 1, 1991, and after July 1, 1986, if:

(1) the approval remains valid;

(2) the project remains active; and

(3) no additional drainage will occur beyond that originally approved.

For text of item F, see M.R. 1999

G. Wetlands and public waters of all types that could be drained as a part of a public drainage repair project are eligible for the permanent wetlands preserve program established under Minnesota Statutes, section 103F.516. The board shall give priority to acquisition of easements on types 3, 4, and 5 wetlands that have been in existence for more than 25 years on public drainage systems and other wetlands that have the greatest risk of drainage from a public drainage repair project.

Subp. 3. **Federal approvals.** A replacement plan for wetlands is not required for activities described in items A and B.

A. Activities exempted from federal regulation under United States Code, title 33, section 1344(f), as in effect on January 1, 1991.

The local government unit may certify the exemption only if the landowner furnishes proof of qualification for one of the exemptions from the United States Army Corps of Engineers.

This exemption does not apply to a project with the purpose of converting a wetland to a nonwetland, either immediately or gradually, or converting the wetland to another use, or when the fill will result in significant discernible change to the flow or circulation of water in the wetland, or partly draining it, or reducing the wetland area.

B. Activities authorized under section 404 of the

federal Clean Water Act, United States Code, title 33, section 1344, or section 10 of the Rivers and Harbors Act of 1899, United States Code, title 33, section 403, and regulations that meet minimum state standards under this chapter and that have been approved by the board of water and soil resources, the department of agriculture, the department of natural resources, and the pollution control agency.

For text of subp 4, see M.R. 1999

Subp. 5. **Incidental wetlands.** A replacement plan for wetlands is not required for activities in wetland areas created solely as a result of:

A. beaver dam construction;

B. blockage of culverts through roadways maintained by a public or private entity;

C. actions by public or private entities that were taken for a purpose other than creating the wetland; or

D. any combination of items A to C.

Wetland areas created by beaver activities may be drained by removing those materials placed by beaver. Drainage is permitted by removing or moving materials blocking installed roadway culverts and related drainage structures. Additional excavation or removal of other materials is not permitted unless it can be shown by aerial photographs that the proposed activity will not drain or fill wetland that was there before the beaver dam was built or before the culvert became plugged.

Wetland areas may be drained, excavated, or filled if the landowner can show that the wetland was created solely by actions, the purpose of which was not to create the wetland.

Impoundments or excavations constructed in nonwetlands solely for the purpose of effluent treatment, storm water retention, soil and water conservation practices, and water quality improvements, and not as part of a wetland replacement process that may, over time, take on wetland characteristics, are also exempt.

For text of subp 6, see M.R. 1999

Subp. 7. **Forestry.** A replacement plan for wetlands is not required for:

For text of item A, see M.R. 1999

B. permanent access for forest roads across wetlands so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the construction activities do not result in the access becoming a dike, drainage ditch, or tile line~~, or building~~; filling is avoided wherever possible; and there is no drainage of the wetland or public waters.

This exemption is for roads constructed for the primary purpose of providing access for the conduct of silvicultural activities.

For text of subp 8, see M.R. 1999

Subp. 9. **De minimis.**

A. Except as provided in items B and C, a replacement plan for wetlands is not required for draining, excavating, or filling the following amounts of wetlands as part of a project:

(1) 10,000 square feet of type 1, 2, 6, or 7 wetland, excluding white cedar and tamarack wetlands, outside of the shoreland wetland protection zone and that are not fringe areas of type 3, 4, or 5 wetlands in a greater than 80 percent area;

(2) 5,000 square feet of type 1, 2, 6, or 7 wetland, excluding white cedar and tamarack wetlands, outside of the shoreland wetland protection zone and that are not fringe areas of type 3, 4, or 5 wetlands in a 50 to 80 percent area;

(3) 2,000 square feet of type 1, 2, or 6 wetland, outside of the shoreland wetland protection zone and that are

not fringe areas of type 3, 4, or 5 wetlands in a less than 50 percent area;

(4) 400 square feet of wetland types not listed in subitems (1) to (3) outside of shoreland wetland protection zones in all counties; or

(5) 400 square feet of type 1, 2, 3, 4, 5, 6, 7, or 8 wetland, in the shoreland wetland protection zone, except that in a greater than 80 percent area, the local government unit may increase the de minimis amount up to 1,000 square feet in the shoreland wetland protection zone in areas beyond the building setback if the wetland is not a type 3, 4, or 5 wetland, is isolated, and is determined to have no direct surficial connection to the public water. To the extent that a local shoreland management ordinance is more restrictive than this subitem, the local shoreland ordinance applies.

B. The amounts listed in item A may not be combined on a project.

C. This exemption no longer applies to a landowner's portion of a wetland when the proposed project impact area and the cumulative area of the landowner's portion drained, excavated, or filled since January 1, 1992, is the greater of:

(1) the applicable area listed in item A, if the landowner owns the entire wetland;

(2) five percent of the landowner's portion of the wetland; or

(3) 400 square feet.

D. This exemption may not be combined with another exemption on a project.

E. For purposes of this subpart, for wetlands greater than 40 acres, the wetland type may be determined to be the wetland type with the deepest water regime within the wetland and within ~~1,000~~ 300 feet of the impact. ~~This exemption may not be combined with another exemption on a project in this part.~~

Subp. 10. **Wildlife habitat.** A replacement plan for wetlands is not required for:

A. excavation or the associated deposition of spoil within a wetland for a wildlife habitat improvement project, if:

(1) the area of deposition, and excavation if within the permanently and semipermanently flooded areas of type 3, 4, or 5 wetlands, does not exceed five percent of the wetland area or one-half acre, whichever is less, and the spoil is stabilized and permanently seeded with native, noninvasive species to prevent erosion;

(2) the project does not have an adverse impact on any species designated as endangered or threatened under state or federal law; and

(3) the project will provide wildlife habitat improvement as certified by the soil and water conservation district or technical evaluation panel using the "Wildlife Habitat Improvements in Wetlands: Guidance for Soil and Water Conservation Districts and Local Government Units in Certifying and Approving Wetland Conservation Act Exemption Proposals, Minnesota Interagency Wetlands Group, December 2000" or similar criteria approved by the board; or

B. duck blinds.

8420.0200 DETERMINING LOCAL GOVERNMENT UNIT; DUTIES.

Subpart 1. **Determinations of local government unit.** The local government unit responsible for making exemption, wetland type, wetland boundary, and no-loss determinations and approving replacement and wetland banking plans shall be determined according to items A to D.

For text of items A and B, see M.R. 1999

C. If the activity in a wetland is located in two jurisdictions, the local government unit is the one exercising

zoning authority over the project or if both have zoning authority, the one in which most of the wetland loss will occur. If no zoning permits are required, the local government unit is the one in which most of the wetland loss will occur. If an activity will affect wetlands in more than one local government unit, the board will coordinate the project review to ensure consistency and consensus among the local government units involved.

D. In those cases where an activity will occur on state land, the local government unit is the state agency, or the agency's designee, with administrative responsibility for that land.

The board will resolve all questions as to which government entity is the responsible authority, applying the guidelines in items A to D.

Notwithstanding items A to D, the Department of Natural Resources shall be the approving authority for activities associated with projects requiring permits to mine under Minnesota Statutes, section 93.481, and for projects affecting calcareous fens.

Subp. 2. **Local government unit duties.**

A. A local government unit must provide knowledgeable and trained staff to manage the program or secure a qualified delegate. Otherwise, the board may declare a moratorium as prescribed in part 8420.0260 or take other appropriate legal action to assure proper implementation and compliance with this chapter. The board may establish standards and requirements for training, experience, and certification.

B. The local government unit may place the decision authority for exemption, no-loss, wetland boundary and type, replacement plan, and wetland banking determinations with local government unit staff according to procedures it establishes. For final determinations made by staff, the local government unit must establish a local appeal process that includes a public hearing before appointed or elected officials.

C. The local government unit and soil and water conservation district may charge processing fees in amounts not greater than are necessary to cover the reasonable costs of implementing this chapter and for technical and administrative assistance to landowners in processing other applications for projects affecting wetlands.

8420.0210 EXEMPTION DETERMINATIONS.

A landowner intending to drain or fill a wetland without replacement, claiming exemption under part 8420.0122, may contact the local government unit before beginning draining or filling activities for determination whether or not the activity is exempt. A landowner who does not request a determination may be subject to the enforcement provisions in part 8420.0290 and Minnesota Statutes, section 103G.2372. The local government unit must keep on file all documentation and findings of fact concerning exemption determinations for a period of ten years.

An exemption may apply whether or not the local government unit has made an exemption determination. If the landowner requests an exemption determination, then the local government unit must make one.

The landowner applying for exemption is responsible for submitting the proof necessary to show qualification for the particular exemption claimed, including proof of the requisite property rights to do the activity. The local government unit may evaluate evidence for an exemption without making a determination.

The local government unit decision shall be based on the exemptions standards in part 8420.0122. If the decision requires a finding of wetland size or type, the local government unit should seek the advice of the technical panel as described

in part 8420.0240. The local government unit decision must be made in compliance with Minnesota Statutes, section 15.99~~, which generally requires a decision to be made within 60 days of receipt of a complete application, except that applications may be considered incomplete until field verification can be accomplished as soon as suitable field conditions exist, as determined by the local government unit. Applicants shall be notified of such extensions according to procedures in Minnesota Statutes, section 15.99, subdivision 3, paragraph (f)~~. The local government unit decision must be sent to the landowner, members of the technical evaluation panel, the watershed district or water management organization if there is one, the commissioner of natural resources, and individual members of the public who request a copy within ten working days of the decision.

8420.0220 NO-LOSS DETERMINATIONS.

A landowner unsure if proposed work will result in a loss of wetland may apply to the local government unit for a determination. A landowner who does not request a determination may be subject to the enforcement provisions in part 8420.0290 and Minnesota Statutes, section 103G.2372. The local government unit must keep on file all documentation and findings of fact concerning no-loss determinations for a period of ten years.

The landowner applying for a no-loss determination is responsible for submitting the proof necessary to show qualification for the claim, including proof of the requisite property rights to do the activity. The local government unit may evaluate evidence for a no-loss claim without making a determination.

The local government unit decision must be made in compliance with Minnesota Statutes, section 15.99~~, which generally requires a decision to be made within 60 days of receipt of a complete application, except that applications may be considered incomplete until field verification can be accomplished as soon as suitable field conditions exist, as determined by the local government unit. Applicants shall be notified of such extensions according to procedures in Minnesota Statutes, section 15.99, subdivision 3, paragraph (f)~~. The local government unit decision must be sent to the landowner, members of the technical evaluation panel, the watershed district or water management organization if there is one, the commissioner of natural resources, and individual members of the public who request a copy within ten working days of the decision.

The local government unit shall make a no-loss determination if the landowner requests and if either:

A. the work will not impact a wetland;

B. the <u>excavation</u> work is limited to removal of debris such as trees, logs, stumps, and trash, provided the removal does not alter the original cross-section of the wetland;

C. <u>temporary or seasonal</u> water level management activities will not result in the conversion of a wetland ~~to another land use~~;

D. the activities are in a surface impoundment for containment of waste material or water treatment;

E. the activity is being conducted as part of an approved replacement or banking plan or is conducted or authorized by public agencies for the purpose of wetland restoration, fish and wildlife habitat restoration or improvement using guidance in part 8420.0112, item J, or repair and maintenance of earthen containment structures;

F. the activity is limited to excavation and removal of deposited sediment in constructed stormwater management basins or wetlands that are presently utilized as stormwater

management basins, or to excavation and removal of contaminated substrate, and the excavated area is stabilized so as to prevent water quality degradation and the excavation is limited to the minimum dimensions necessary for achieving the desired purpose; or

G. the project is an impact rectification activity listed in part 8420.0520, subpart 5.

8420.0225 WETLAND BOUNDARY OR TYPE DETERMINATIONS.

A. A landowner may apply for a wetland boundary or type determination from the local government unit. The landowner applying for the determination is responsible for submitting proof necessary to make the determination, including, but not limited to, wetland delineation field data, observation well data, topographic mapping, survey mapping, and information regarding soils, vegetation, hydrology, and groundwater both within and outside of the proposed wetland boundary.

B. A local government unit that receives an application under item A may seek the advice of the technical evaluation panel and, if necessary, expand the technical evaluation panel.

C. The local government unit decision must be made in compliance with Minnesota Statutes, section 15.99~~, except that applications may be considered incomplete until field verification can be accomplished as soon as suitable field conditions exist, as determined by the local government unit. Applicants shall be notified of such extensions according to procedures in Minnesota Statutes, section 15.99, subdivision 3, paragraph (f)~~. Within ten working days of the decision, the local government unit decision must be sent to the landowner, members of the technical evaluation panel, the watershed district or watershed management organization if there is one, the commissioner of natural resources, and individual members of the public who request a copy.

D. The local government unit decision is valid for three years unless the technical evaluation panel determines that natural or artificial changes to the hydrology, vegetation, or soils of the area have been sufficient to alter the wetland boundary or type.

8420.0230 REPLACEMENT PLAN DETERMINATIONS.

Subpart 1. **Application.** A landowner intending to drain, excavate, or fill a wetland who does not qualify for an exemption or no-loss determination shall obtain approval of a replacement plan from the local government unit before beginning draining or filling. A person who does not do so is subject to the enforcement provisions in this chapter and Minnesota Statutes, section 103G.2372.

Within ten days of receipt of an application for an activity affecting less than 10,000 square feet of wetland, the local government unit must send a summary of the application, which includes information to identify the applicant and the location and scope of the project, to members of the technical evaluation panel, the commissioner of natural resources, and individual members of the public who have requested a copy. The project notification must state when the comment period ends.

Within ten working days of receipt of an application for approval of a replacement plan for an activity affecting 10,000 square feet or more of total wetland impacts, the local government unit must send a copy of the application and an invitation to submit comments to members of the technical evaluation panel; the watershed district or water management organization if there is one; the commissioner of natural resources and individual members of the public who request a copy. Individual members of the public who request a copy must be sent a summary of the application that includes information to identify the applicant and the location and scope of the

project. The comment period must be 15 days or more. The project notification must state when the comment period ends.

An application for approval of a replacement plan includes a revised application for replacement plan approval and an application for a revision to an approved replacement plan if:

(1) the wetland area to be drained or filled under the revised replacement plan is more than ten percent larger than the area to be drained or filled under the original replacement plan; or

(2) the wetland area to be drained or filled under the revised replacement plan is located more than 500 feet from the area to be drained or filled under the original replacement plan.

Subp. 2. **Decision.** The local government unit decision shall be based on the replacement standards in parts 8420.0500 to 8420.0630, and on the technical evaluation panel's determination, if there is one, concerning the wetland function and resulting public values, location, size, and type of the wetland being altered. The local government unit decision must be made in compliance with Minnesota Statutes, section 15.99~~, which generally requires a decision to be made within 60 days of receipt of a complete application, except that applications may be considered incomplete until field verification can be accomplished as soon as suitable field conditions exist, as determined by the local government unit. Applicants shall be notified of such extensions according to procedures in Minnesota Statutes, section 15.99, subdivision 3, paragraph (f)~~. The local government unit shall consider and include the technical evaluation panel's recommendation, if there is one, to approve, modify, or reject the proposed replacement plan. The local government unit decision must be sent to the landowner within ten working days of the decision. A summary of the local government unit decision must be sent within ten working days of the decision to those required to receive notice of the application.

For wetland replacement plans involving more than one local government unit, approval of all local government units involved or as specified in part 8420.0200 shall constitute final approval of the replacement plan and is required before the project may proceed. The local government unit with jurisdiction for the impact site must approve all components of the replacement plan, following the procedures in parts 8420.0500 to 8420.0630. The local government unit with jurisdiction for the replacement site shall limit the review to evaluation of the replacement site as in parts 8420.0540 to 8420.0630 and make a decision accordingly.

As part of the approval of the replacement plan, the local government unit with jurisdiction for the replacement site assumes responsibility for ensuring compliance with monitoring provisions according to parts 8420.0600 to 8420.0630. The local government unit with jurisdiction for the replacement site may enter into joint powers agreements with a local government unit with jurisdiction for the impact site, assess fees, or develop other procedures considered necessary to facilitate the process.

8420.0240 TECHNICAL EVALUATION PANEL PROCEDURES.

For each local government unit, there is a technical evaluation panel of at least three persons: a technical professional employee of the board, a technical professional employee of the soil and water conservation district of the county in which the activity is occurring, and a technical professional with expertise in wetland management appointed by the local government unit. For projects affecting public waters or public waters wetlands or affecting wetlands adjacent to the public waters or public waters wetlands, the technical evaluation panel shall also include a technical professional

employee of the department of natural resources. For purposes of this section, "adjacent" means within the shoreland wetland protection zone or 1,000 feet, whichever is less. The local government unit shall coordinate the panel. Two members of the panel must be knowledgeable and trained in applying methodologies of the "United States Army Corps of Engineers Wetland Delineation Manual" (January 1987), "Wetlands of the United States" (United States Fish and Wildlife Service Circular 39, 1971 edition), and "Classification of Wetlands and Deepwater Habitats of the United States" (Cowardin, et al., 1979 edition), including updates, supplementary guidance, or replacements of these methods provided by the board. The panel shall also be knowledgeable and trained in evaluation of wetland functions and the resulting public values. The technical evaluation panel may invite additional expertise to help the panel in its work.

The panel shall make technical findings and recommendations regarding wetland functions and the resulting public values, location, size, and type for replacement plans, and wetland banking plans and exemption, no-loss, wetland boundary or type, and sequencing requests, and for comprehensive wetland protection and management plans and wetland ordinances, if requested to do so by the local government unit, the landowner, or a member of the technical evaluation panel. The panel may review replacement plans and wetland banking plans and exemption, no-loss, wetland boundary or type, and sequencing requests, and recommend to the local government unit either approval, approval with changes or conditions, or rejection. When a technical evaluation panel ~~is called~~ makes a recomendation, the local government unit must consider the recommendation of the technical evaluation panel in its approval or denial of a plan or determination. The panel shall make no findings or recommendations without at least one member having made an on-site inspection. Panel findings and recommendations must be documented and endorsed by a majority of the members. If the local government unit does not agree with the technical evaluation panel's findings and recommendation, the reasons for the disagreement must be part of the local government unit's record of decision.

Applicants for replacement plans, wetland banking plans and exemption, no-loss, and wetland boundary or type, and sequencing determinations must cooperate in providing local government unit staff and members of the technical evaluation panel and their designated experts with access to proposed project sites for investigation. Such investigations shall be preceded by notice to the landowner or designated agent, unless prior approval has been granted. If an applicant refuses to allow access, the local government unit may deny an application.

If the local government unit has a comprehensive wetland protection and management plan that delineates location, size, and type for all wetlands, approved by the technical evaluation panel, and subsequently incorporated into local ordinance, then the local government unit can make determinations without ~~calling~~ a recommendation from the technical evaluation panel.

If requested by the local government unit, the landowner, or a member of the technical evaluation panel, the panel shall answer technical questions or participate in the monitoring of replacement wetlands according to parts 8420.0600 to 8420.0630, and shall similarly participate in the monitoring of banked wetlands according to parts 8420.0700 to 8420.0760.

8420.0250 APPEALS.

Subpart 1. **Appeal of local government unit decisions.** The decision of a local government unit to approve, approve with conditions, or reject a replacement plan, banking plan, public road project notice, exemption, no-loss, or wetland boundary or type request becomes final if not appealed to the board within

30 days after the date on which the decision is mailed to those required to receive notice of the decision. This subpart applies to those determinations which are made under comprehensive wetland protection and management plans.

Appeal may be made by the landowner, by any of those required to receive notice of the decision, or by 100 residents of the county in which a majority of the wetland is located.

Appeal is effective upon mailing of the petition and payment of a nonrefundable filing fee of $200 to the board with evidence that a copy of the petition has been mailed to the local government unit. The filing fee is not required for appeals petitioned by state agencies or members of the technical evaluation panel. Another filing fee is not required for appeals that have been remanded if the filing fee was paid and the same party appeals the new decision made under remand. Subsequent to receipt of a petition, the local government unit may require the petitioner to post a letter of credit, cashier's check, or cash in an amount not to exceed $500 per appeal. The amount posted must be returned to the petitioner unless there is a finding under subpart 3 that the appeal is meritless, trivial, or brought solely for the purposes of delay. The local government unit shall then mail a copy of the petition to all those to whom it was required by part 8420.0230 to mail a copy of the notice of decision.

Subp. 2. **Repealed, 22 SR 1877**

Subp. 3. **Board appeal procedures.** Within 30 days after receiving the petition, the board or its dispute resolution committee or executive director shall decide whether to grant the petition and hear the appeal. The board or its executive director shall grant the petition unless the appeal is deemed meritless, trivial, or brought solely for the purposes of delay; that the petitioner has not exhausted all local administrative remedies; or that the petitioner has not posted a letter of credit, cashier's check, or cash if required by the local government unit.

The board or its executive director may stay the local government unit decision until the appeal is resolved.

The board or its executive director may remand the appealed decision back to the local government unit if the petitioner has not exhausted all local administrative remedies such as a local government unit public hearing, if expanded technical review is needed, or if the local government unit's record is not adequate. If an appeal is remanded, the local government unit must make a decision within 60 days unless the remand order, or a subsequent order, specifies a longer period.

After granting the petition, the appeal shall be heard by the dispute resolution committee and decided by the board within 60 days after the filing of the local government unit's record, submittal of the written briefs for the appeal, and the hearing by the dispute resolution committee. Parties to the appeal are the appellant, the landowner, the local government unit, and those required to receive notice of the local government unit decision.

The board or its executive director may elect to combine related appeals and process as one decision, either multiple appeals on the same project or appeals of different local government unit decisions on the same project.

Upon appeal, the local government unit shall forward to the board the record on which it based its decision. The board will make its decision on the appeal after hearing. Thirty days' notice of the hearing shall be given by the board to the parties. The parties may present written and oral argument. When the local government unit has made formal findings contemporaneously with its decision and there is an accurate verbatim transcript of the proceedings and the proceedings were

fairly conducted, the board will base its review on the record. Otherwise it may take additional evidence, or remand the matter.

The board will affirm the local government unit's decision if the local government unit's findings of fact are not clearly erroneous; if the local government unit correctly applied the law to the facts, including this chapter; and if the local government unit made no procedural errors prejudicial to a party. Otherwise, the board will reverse the decision, amend it, or remand it with instructions for further proceedings.

For text of subp 4, see M.R. 1999

Subp. 5. **See repealer.**

8420.0260 PENALTY FOR LOCAL GOVERNMENT UNIT FAILURE TO APPLY LAW.

A. Each local government unit of the state, except tribal lands, shall acknowledge, in writing, to the board that it is assuming its responsibilities under this chapter and the act. Local government units from which an affirmative response is not received shall be given written notice by the board that there is a 60-day moratorium in the local government unit's jurisdiction on exemption, wetland boundary, wetland type, no-loss, replacement plan, and banking determinations. The board shall end the moratorium within the 60 days upon written agreement by the local government unit that it will assume its duties under this chapter and the act. If at the end of the initial 60-day moratorium a written agreement has not been made for the local government unit to apply the law, the board can extend the moratorium until the local government unit agrees to apply the law.

B. If the board has information that a local government unit is not following this chapter or the act in making exemption, no-loss, replacement plan, public road project notice reviews, wetland boundary, wetland type, or banking determinations, or if the local government unit does not have knowledgeable and trained staff with ~~expertise~~ experience in wetland management, the board shall notify the local government unit in writing of its concerns. The local government unit shall respond in writing within 60 days of being notified by the board. If not satisfied with the local government unit's written response, or none is received, the board shall ask the local government unit to appear at a hearing before the board to discuss the matter. The board may invite comments from other local governments or state and federal agencies. If the board determines at the hearing, that corrective action is necessary, the board shall write the local government unit directing specific corrective action to occur within 60 days of receiving the board's decision. The notice shall explain the reason for the action.

C. If, after the 60-day period described in this part the local government unit has not corrected the problem to the satisfaction of the board, the board shall declare a moratorium as prescribed in item A or take other appropriate legal action to ensure compliance.

8420.0290 ENFORCEMENT PROCEDURES.

Subpart 1. **Enforcement authorities.** The commissioner, conservation officers, and other peace officers may issue cease and desist orders and restoration and replacement orders.

Subp. 2. **Cease and desist orders.** Cease and desist orders may be issued when the enforcement authority has probable cause that a drain, excavation, or fill activity is being or has been conducted in a wetland and does not qualify for an exemption or a no-loss determination under parts 8420.0210 and 8420.0220 and is being or has been conducted without prior approval of a replacement plan by a local government unit under part 8420.0230 or involving a determination stayed by the board pursuant to part 8420.0250.

A cease and desist order must not be issued if the landowner has a valid exemption, no-loss, or replacement plan determination from the local government unit or a completed and submitted public road project notification that has not been stayed, remanded, or reversed on appeal under provisions of part 8420.0250, or has sufficient evidence to support an exemption or no-loss determination.

The enforcement authority shall advise the landowner that the landowner's written application, if any, for an exemption, no-loss, or replacement plan determination, should be made immediately to the local government unit and that whatever drain, excavation, or fill work that has been done may require restoration if the application for exemption, no-loss, or replacement plan determination is denied or reversed on appeal.

The enforcement authority issuing a cease and desist order shall promptly submit copies to the soil and water conservation district, local government unit, and Department of Natural Resources.

If an application for an exemption, no-loss, or replacement plan determination is triggered by a cease and desist order, the local government unit shall make the determination in accordance with parts 8420.0210 to 8420.0230.

In cases where the cease and desist order has been issued to a local government unit, the determination of exemption or no-loss shall be made by the board.

If the determination is that the activity is exempt or results in no loss of wetland, the decision maker shall request that the enforcement authority rescind the cease and desist order, pending the outcome of any appeal, and notify the soil and water conservation district, the enforcement authority, and the landowner.

If the application is denied, the decision-maker shall immediately notify the soil and water conservation district, the enforcement authority, and the landowner.

Subp. 3. **Restoration and replacement orders.** The enforcement authority shall issue a restoration order or replacement order when:

A. the drain, excavation, or fill has already been completed when discovered, or after a cease and desist order has been issued and the landowner does not apply for an exemption, replacement plan, or no-loss determination within three weeks;

B. the local government unit grants the application but it is reversed on appeal; or

C. the local government unit denies the application.

Promptly upon being informed by the enforcement authority of the need, the soil and water conservation district staff person shall inspect the site and prepare a plan in consultation with the local government unit for restoring the site to its prealtered condition. Restoration shall be ordered unless the soil and water conservation district, with the concurrence of the technical evaluation panel and the enforcement authority, concludes that restoration is not possible or prudent. The soil and water conservation district shall incorporate its plan into a restoration or replacement order and send it to the enforcement authority for service in person or by certified mail to the landowner or responsible party.

Subp. 3a. **Contents of order.** A restoration order must specify dates by which the landowner or responsible party must either:

A. restore the wetland according to the soil and water conservation district plan and obtain a certificate of satisfactory restoration from the soil and water conservation district; or

B. submit a complete replacement plan application to the local government unit.

If the replacement plan application is denied, the landowner or responsible party shall restore the wetland as specified in the order.

The restoration order shall be rescinded if the landowner or responsible party obtains an after-the-fact replacement plan, exemption, or no-loss determination from the local government unit that is not reversed on appeal.

A replacement order must specify a date by which the landowner or responsible party must submit a replacement plan to the local government unit and a subsequent date by which the landowner or responsible party must replace the wetland according to the approved replacement plan and obtain a certificate of satisfactory replacement from the soil and water conservation district.

Subp. 3b. **Enforcement authority orders.** If the soil and water conservation district, with the concurrence of the technical evaluation panel and the enforcement authority, determines that restoration will not restore all the loss caused by the drain, excavation, or fill activity, the enforcement authority may order a combination of restoration and replacement, or may order replacement rather than restoration. The order must direct the landowner or responsible party to obtain replacement plan approval from the local government unit. The order must specify that if replacement plan approval is not obtained, the landowner or responsible party must restore the wetland as ordered.

Each cease and desist, restoration, and replacement order shall state that violation of the order is a misdemeanor.

If, as part of a misdemeanor proceeding, the court orders restoration or replacement, the soil and water conservation district, with the concurrence of the technical evaluation panel and the enforcement authority, shall determine which is appropriate, and if it is restoration, the method of restoration. If the court orders replacement, the landowner or responsible party must follow the replacement plan process in subpart 4 and parts 8420.0500 to 8420.0630.

Subp. 3c. **Appeals of replacement and restoration orders.** A landowner or responsible party may appeal the terms and conditions of a restoration or replacement order issued pursuant to subpart 3 to the board's executive director within 30 days of receipt of written notice by filing a written request for review. If the written request is not submitted within 30 days, the restoration or replacement order becomes final. The executive director shall review the request and supporting evidence and render a decision within 60 days of the request for review. The executive director may stay the restoration <u>or replacement</u> order until the appeal is resolved.

Subp. 4. **After-the-fact replacement.** If a landowner or responsible party seeks approval of a replacement plan after the proposed project has already impacted the wetland, the local government unit shall require the landowner or responsible party to replace the impacted wetland at a ratio twice the replacement ratio otherwise required, unless the local government unit and enforcement authority concur that an increased ratio is not required.

Subp. 5. **Misdemeanor.** A violation of an order issued under this part is a misdemeanor and must be prosecuted by the county attorney where the wetland is located or the illegal activity occurred.

Subp. 6. **Contractor's responsibility when work drains, excavates, or fills wetlands.**

A. An agent or employee of another may not drain, excavate, or fill a wetland, wholly or partially, unless the agent or employee has:

(1) obtained a signed statement from the landowner stating that the wetland replacement plan required for the work has been obtained or that a replacement plan is not required; and

(2) mailed a copy of the statement to the local government unit with jurisdiction over the wetland.

B. Work in violation of this part is a misdemeanor.

C. The board shall develop a form to be distributed to contractor's associations, local government units, and soil and water conservation districts to comply with this part. The form must include:

(1) a listing of the activities for which a replacement plan is required;

(2) a description of the penalties for violating Minnesota Statutes, sections 103G.2212 to 103G.237;

(3) the telephone number for information on the responsible local government unit;

(4) a statement that national wetland inventory maps are on file with the soil and water conservation district office; and

(5) spaces for a description of the work and the names, mailing addresses, and telephone numbers of the person authorizing the work and the agent or employee proposing to undertake it.

8420.0300 MINING.

Wetlands may not be drained, excavated, or filled as part of a project for which a permit to mine is required by Minnesota Statutes, section 93.481, except as approved by the commissioner. Draining, excavating, or filling of wetlands created by pits, stockpiles, or tailing basins by actions whose purpose was not to create the wetland are exempt under part 8420.0122.

For text of item A, see M.R. 1999

B. For mining operations in existence before July 1, 1993, and operated on or after that date under a permit to mine issued under chapter 6130 for iron ore and taconite or chapter 6132 for nonferrous metallic minerals:

(1) no draining, excavating, or filling activities shall be conducted within wetlands for which these activities were approved but not initiated before July 1, 1993, until the operating plan or annual report as required in the permit to mine includes an approved wetland replacement plan for the undisturbed wetlands. The wetland replacement plan shall meet the same principles and standards for replacing wetlands under parts 8420.0500 to 8420.0630;

For text of subitems (2) and (3), see M.R. 1999

For text of item C, see M.R. 1999

D. This part shall not apply to peat mining as defined under Minnesota Statutes, section 93.461, that is subject to the mine permit and reclamation requirements under Minnesota Statutes, sections 93.44 to 93.51, and the rules of the commissioner adopted under those sections.

For text of item E, see M.R. 1999

8420.0350 HIGH PRIORITY REGIONS AND AREAS.

Subpart 1. **High priority regions.** Parts of the state that are high priority regions for preservation, enhancement, restoration, and establishment of wetlands include all of the less than 50 percent areas, which are those listed in part 8420.0544, item B.

In all other counties of the state, high priority regions are high priority areas approved as such by the board according to subpart 2.

Subp. 2. **High priority areas.**

For text of items A and B, see M.R. 1999

C. In all counties, plans may identify additional

high priority areas where preservation, enhancement, restoration, and establishment of wetlands would have high public value by providing benefits for water quality, flood water retention, public recreation, commercial use, and other public uses. High priority areas should be delineated by minor or major watershed. For the purposes of this part, "watershed" means major or minor watershed or subwatershed. To identify high priority areas, the local government unit shall consider at a minimum those items listed in part 8420.0103.

D. The board shall review the inclusion of high priority areas in plans as part of the standard process for plan review established in statute. High priority areas approved by the board that are not in a high priority region listed in subpart 1 become high priority regions with board approval.

8420.0400 WETLAND PRESERVATION AREAS.

Subpart 1. **Purpose.** Wetlands located in areas that are both high priority regions and high priority areas as identified in part 8420.0350 are eligible for enrollment as wetland preservation areas. A wetland so enrolled is exempt from property tax.

Subp. 2. **Landowner application for wetland preservation area.** A landowner may apply to the county or watershed district, if the county or watershed district chooses to accept wetland preservation areas, for designation of a wetland as a wetland preservation area on forms provided by the board. The applicant must include a strip of upland 16.5 feet wide around the perimeter of the wetland. The applicant may include up to four acres of upland for each acre of wetland.

The application must be accompanied by a restrictive covenant on a form provided by the board. The covenant will contain the same limitations on use that are provided in Minnesota Statutes, section 103F.515, subdivision 4, including a covenant that the enrolled upland area will be vegetated by the landowner to permanent vegetation other than noxious weeds. The covenant must be signed, acknowledged, and ready for recording.

Subp. 3. **County or watershed district review of application.** The county or watershed district may accept the application if the wetland is in a high priority region and high priority area, if it includes the 16.5 foot strip, and is accompanied by the proper covenant.

The county or watershed district may limit or reject additional upland proposed to be included according to standards the county establishes.

The county or watershed district may reject the application if the application does not qualify, or send it back for modification and resubmittal if that is appropriate. If the application qualifies, the county or watershed district may approve it and mark the date of approval on the application. The county or watershed district shall notify the landowner of the acceptance or denial of the application within 60 days from the date of the application.

Within five working days of approval of the application, the county or watershed district shall forward it to the county recorder for recording of the restrictive covenant or memorialization of the application on the certificate of title. The county or watershed district shall also send a copy of the approved application to the county assessor for entry in the assessor's records as a wetland preservation area. The county or watershed district shall also send copies of the approved application to the soil and water conservation district, the local government unit, and the board.

Subp. 4. **Applicable statutes.** In addition to this chapter, wetland preservation areas are subject to Minnesota Statutes, sections 103F.612 to 103F.616, and the property tax

provisions of Minnesota Statutes, section 272.02, subdivision 11.

For text of subp 5, see M.R. 1999

Subp. 6. **Fee.** The county or watershed district may require an application fee to defray administrative costs of the program.

For text of subp 7, see M.R. 1999

8420.0505 PREVIOUSLY APPROVED DETERMINATIONS.

Replacement plan, banking plans exemption, public road project notification, wetland boundary, wetland type, and no-loss determinations may be completed under the laws, rules, conditions, and guidelines in effect when they were approved.

8420.0510 REPLACEMENT PLAN PROCEDURES.

Subpart 1. **Generally.** No person shall drain, excavate in the permanent or semipermanently flooded areas of type 3, 4, or 5 wetlands, or fill a wetland, wholly or partially, or otherwise ~~convert~~ impact wetlands ~~to nonwetlands~~ without first having a wetland replacement plan or other determination approved by the local government unit.

For text of subps 2 and 3, see M.R. 1999

8420.0520 SEQUENCING.

Subpart 1. **Requirement.** The local government unit may not consider or approve a wetland replacement plan unless the local government unit finds that the applicant has demonstrated that the activity impacting a wetland has complied with all of the following principles in descending order or priority:

For text of items A to D, see M.R. 1999

E. replaces unavoidable impacts to the wetland by restoring or, if wetland restoration opportunities are not reasonably available, creating substitute wetland areas having equal or greater public value as provided for in parts 8420.0530 to 8420.0760.

Exceptions to this part include wetlands located in cultivated fields that are subject to subpart 8, and calcareous fens that are subject to subpart 9.

Subp. 2. **Application options.** An applicant may either submit the information required for sequencing analysis as part of a replacement plan application or apply for a preliminary sequencing determination from the local government unit before preparing a replacement plan. The local government unit may request additional information needed to make a determination. For projects impacting wetland areas less than 10,000 square feet more than the de minimis amount listed in part 8420.0122, subpart 9, item A, the local government unit may provide an on-site sequencing determination without written documentation from the applicant.

Subp. 3. **Determination of impact avoidance.**

A. Avoidance must be required when indicated by part 8420.0548.

B. Wetland dependence determination:

For text of subitems (1) and (2), see M.R. 1999

C. Alternatives analysis:

(1) The applicant shall provide the local government unit with documentation describing at least two alternatives in addition to the proposed project to avoid wetland impacts. One may be the no-build alternative, that would avoid impacts to wetlands. For projects that repair or rehabilitate existing infrastructure, only one alternative is required. The alternatives may include consideration of alternate sites or alternative project configurations on the proposed site. The alternatives must be judged by the local government unit as good faith efforts, or the local government unit may require the applicant to redraft them for reconsideration.

(2) The local government unit shall determine

whether any proposed feasible and prudent alternatives are available that would avoid impacts to wetlands. An alternative shall be considered feasible and prudent if it meets all of the following requirements:

(a) it is capable of being done from an engineering point of view;

(b) it is in accordance with accepted engineering standards and practices;

(c) it is consistent with reasonable requirements of the public health, safety, and welfare;

(d) it is an environmentally preferable alternative based on a review of social, economic, and environmental impacts; and

(e) it would create no truly unusual problems.

(3) For projects proposing impacts to type 3, 4, or 5 wetlands, the local government unit shall also determine that there are no environmentally preferable alternatives that would avoid the impact.

(4) The local government unit shall consider the following in evaluating alternatives as applicable:

(a) whether the basic project purpose can be reasonably accomplished using one or more other sites in the same general area that would avoid wetland impacts. An alternate site may not be excluded from consideration only because it includes or requires an area not owned by the applicant that could reasonably be obtained, used, expanded, or managed to fulfill the basic purpose of the proposed project;

(b) the general suitability of alternate sites considered by the applicant;

(c) whether reasonable modification of the size, scope configuration, or density of the project would avoid impacts to wetlands;

(d) efforts by the applicant to accommodate or remove constraints on alternatives imposed by zoning standards or infrastructure, including requests for conditional use permits, variances, or planned unit developments; and

(e) the physical, economic, and demographic requirements of the project. Economic considerations alone do not make an alternative not feasible and prudent.

~~(4)~~ (5) If the local government unit determines that a feasible and prudent alternative exists that would avoid impacts to wetlands, it shall deny the replacement plan. If no feasible and prudent alternative is available that would avoid impacts to wetlands, the local government unit shall evaluate the replacement plan for compliance with subparts 4 to 8.

Subp. 4. **Determination of impact minimization.**

A. The applicant shall demonstrate to the local government unit's satisfaction that the activity will minimize impacts to wetlands. In reviewing the sufficiency of the applicant's efforts to minimize wetland impacts, the local government unit must consider:

For text of subitems (1) to (6), see M.R. 1999

(7) an applicant's efforts to:

(a) modify the size, scope, configuration, or density of the project;

(b) remove or accommodate site constraints including zoning, infrastructure, access, or natural features;

(c) confine impacts to the fringe or periphery of the wetland; and

(d) otherwise minimize impacts.

For text of item B, see M.R. 1999

For text of subps 5 to 7, see M.R. 1999

Subp. 7a. **Sequencing flexibility.**

For text of item A, see M.R. 1999

B. Flexibility in application of the sequencing steps may be applied, subject to the conditions in item A, as determined by the local government unit if:

(1) the wetland to be impacted has been degraded to the point where replacement of it would result in a certain gain in function and public value;

(2) preservation of a wetland would result in severe degradation of the wetland's ability to function and provide public values, for example, because of surrounding land uses and the wetland's ability to function and provide public values cannot reasonably be maintained through other land use controls or mechanisms;

(3) the only feasible and prudent upland site available for wetland replacement or development has greater ecosystem function and public value than the wetland. Although this is a rare circumstance since there will usually be several options for siting the replacement wetland or development, it may be appropriate if the project sponsor:

(a) demonstrates impact minimization to the wetland;

(b) agrees to perpetually preserve the designated upland site; and

(c) completely replaces the impacted wetland's functions and public values; or

(4) the wetland is a site where human health and safety is a factor.

Subp. 8. **Wetlands on cultivated fields.** If the wetland is located on a cultivated field and will be replaced through restoration, then the priority order for sequencing in subpart 1 is not required. A wetland drained or filled under this provision must not be converted to nonagricultural land for ten years. The landowner must execute and record a notice of this requirement in the office of the county recorder for the county in which the property is located.

For text of subp 9, see M.R. 1999

8420.0530 REPLACEMENT PLAN COMPONENTS.

On an application form approved by the board in consultation with the commissioner of natural resources, provided through the local government unit, and with required attachments supplied by the applicant, the following documentation must be provided, except that for replacement plans utilizing the wetland bank in parts 8420.0700 to 8420.0760, items B, subitem (1); and D, do not apply; instead the applicant shall submit the wetland banking credit withdrawal form prescribed in part 8420.0740, subpart 2, item E:

A. generally, organizational information, including but not limited to the following:

For text of subitems (1) to (3), see M.R. 1999

B. either:

(1) a signed statement confirming that the wetland acres and values will be replaced before or concurrent with the actual draining or filling of a wetland; or

(2) an irrevocable bank letter of credit, a performance bond, or other security acceptable to the local government unit in an amount sufficient to guarantee the successful completion of the wetland replacement;

C. for the impacted wetland:

(1) a recent aerial photograph or accurate map of the impacted wetland area;

(2) the location of the wetland;

(3) the size of the wetland;

(4) the type of the wetland;

(5) a list of the dominant vegetation in the

impacted wetland area, if known;

(6) a soils map of the site showing soil type and substrate, where available;

(7) the locations of any surface inlets or outlets, natural or otherwise, draining into or out of the wetlands, and if the wetland is within the shoreland wetland protection zone or floodplain of a stream, river, or other watercourse, the distance and direction to the watercourse;

(8) the nature of the proposed project, its areal extent, and the impact on the wetland must be described in sufficient detail to allow the local government unit to determine the amount and types of wetland to be impacted and to demonstrate compliance with the replacement sequencing criteria in part 8420.0520, if applicable;

(9) evidence of ownership or property rights to the affected areas; and

(10) a list of all other local, state, and federal permits and approvals required for the activity, if known;

D. for the replacement wetland, item C, subitems (1) to (7), (9), and (10), and:

(1) an explanation of the size and type of wetland that will result from successful completion of the replacement plan;

(2) scale drawings showing plan and profile views of the replacement wetland;

For text of subitems (3) to (5), see M.R. 1999

(6) a notice in a form provided by the board attached to and recorded with the deed for lands containing a replacement wetland, specifying the following:

(a) the location of the replacement wetland;

(b) that the wetland is subject to the act;

(c) that the fee title owner is responsible for the costs of repairs or reconstruction and management, if necessary, or for replacement costs;

(d) that reasonable access to the replacement wetland shall be granted to the proper authorities for inspection, monitoring, and enforcement purposes;

(e) that costs of title review and document recording is the responsibility of the fee title owner; and

(f) that the local government unit or board can require necessary repairs or reconstruction and revegetation work to return the wetland to the specifications of the approved replacement plan and require reimbursement of reasonable costs from the wetland owner, or can require replacement of the wetland according to the act;

(7) an affidavit that the replacement wetland was not previously restored or created under a prior approved replacement plan;

(8) a statement that the replacement wetland was not drained or filled under an exemption during the previous ten years;

(9) a statement that the replacement wetland was not restored with financial assistance from public conservation programs, or was not restored for other unrelated regulatory purposes;

(10) a statement that the replacement wetland was not restored using private funds other than those of the landowner unless the funds are paid back with interest to the individual or organization that funded the restoration and the individual or organization notifies the local government unit in writing that the restored wetland may be considered for replacement;

(11) a statement by the applicant that monitoring will occur in accordance with parts 8420.0610 and 8420.0620

unless the local government unit will be conducting the monitoring of the wetland replacement area;

(12) evidence that a person proposing to create or restore a wetland within the easement of a pipeline as defined in Minnesota Statutes, section 299J.02, subdivision 11, has first notified the easement holder and the director of the Office of Pipeline Safety in writing. The person may not create or restore the wetland if, within 90 days after receiving the required notice, the easement holder or the director of the Office of Pipeline Safety provides to the person a written notice of objection that includes the reasons for the objection;

(13) evidence that any drainage or property rights potentially detrimental to the replacement wetland have been acquired, subordinated, or otherwise eliminated; and

(14) a five-year vegetation establishment and management plan, including seeding rates, planting methods, seed and plant mixes, herbicide treatments, and control of noxious weeds and invasive or nonnative species ~~such as reed canary grass and purple loosestrife~~;

E. other information considered necessary for evaluation of the project by the local government unit; and

F. information known to the applicant or readily available concerning the special considerations criteria in part 8420.0540, subpart 9.

8420.0540 REPLACEMENT PLAN EVALUATION CRITERIA.

For text of subpart 1, see M.R. 1999

Subp. 2. **Type of replacement.**

A. The preference for the method of replacement is that which is most likely to result in a wetland area that functions wholly, perpetually, and naturally. ~~Generally,~~ Wetland restoration is generally preferred over creation and restoration of completely impacted wetlands is generally preferred over other methods of replacement.

B. Modification or conversion of nondegraded wetlands from one wetland type to another by damming, diking, impounding, or excavating does not constitute replacement credit.

C. Wetlands drained or filled under an exemption may not be restored for replacement credit for ten years after draining or filling.

8420.0541 ACTIONS ELIGIBLE FOR CREDIT.

Subpart 1. **Scope.** The actions in this part are eligible for replacement credit or wetland banking credit as determined by the local government unit in parts 8420.0500 to 8420.0760.

Subp. 2. **Restoration of completely drained wetland areas.** Restoration of the natural hydrology regime and vegetation on completely drained or filled wetlands may receive new wetland credit in an amount not to exceed 100 percent of the total wetland area hydrologically restored.

Subp. 3. **Restoration of partially drained wetland areas.** Restoration of the natural hydrology regime and vegetation of jurisdictional wetlands that have been degraded by prior drainage, diversion of the natural watershed, or filling may:

A. in a less than 80 percent area, receive public value credit in an amount up to 50 percent of the degraded wetland area or receive new wetland credit in an amount not to exceed 25 percent of the total wetland area hydrologically restored, provided that permanent native, noninvasive vegetation is established within the restored wetland area and on an upland buffer, which may receive replacement credit according to subpart 6~~, that is contiguous with the restored wetland and that has an average width of at least 50 feet for wetlands 2.5 acres or less and an average width of at least 100 feet for wetlands greater than 2.5 acres~~; and

B. in a greater than 80 percent area, receive new

wetland credit in an amount not to exceed 25 percent of the total wetland area hydrologically restored.

Subp. 4. **Exceptional natural resource value projects.** Projects that restore exceptional natural resource values of wetlands may receive either public value or new wetland replacement credit solely or in combination as determined by the local government unit with concurrence of the technical evaluation panel. The amount and type of credit allowed shall be based on a functional assessment that documents the restoration of these values.

Subp. 5. **Restoration of farmed wetlands.** Reestablishment of permanent native, noninvasive vegetative cover on a wetland that was planted with annually seeded crops, was in a crop rotation seeded to pasture grasses or legumes, or was required to be set aside to receive price supports or equivalent payments in six of the last 20 years prior to the date of application for a replacement plan or bank plan may receive credit in accordance with one of the following considerations:

A. if the wetland was annually seeded, in rotation, or set aside for six or more of the last 20 years, the wetland is eligible for public value credit not to exceed 50 percent of the wetland area; or

B. if the wetland was annually seeded, in rotation, or set aside for ten or more of the last 20 years, the wetland is eligible for new wetland credit based on the percent of the time the wetland area was annually seeded, in rotation, or set aside during the prior 20-year period.

Subp. 6. **Upland buffer areas.** Buffer areas of permanent native and noninvasive dominated vegetative cover established or preserved on upland adjacent and contiguous to replacement wetlands may receive credit, provided that the upland buffer must have an average width of at least 50 feet for wetlands ~~2.5 acres or less~~ in nonmunicipal areas and an average width of at least ~~100~~ 25 feet for wetlands ~~greater than 2.5 acres~~ in a municipal area and the buffer vegetative establishment or preservation plan must be approved by the technical evaluation panel. Replacement credit for the buffer may not exceed ~~75~~ 100 percent of the replacement wetland area and may only be used as public value credits for replacement above a 1:1 ratio.

Subp. 7. **Wetlands previously restored via conservation easements.** Wetland areas restored for conservation purposes under terminated easements or contracts are eligible for up to 75 percent new wetland credit and adjacent upland buffer areas reestablished to permanent native, noninvasive vegetative cover are eligible for public value credit above a 1:1 ratio in an amount not to exceed 25 percent of the restored wetland area.

Subp. 8. **Restoration of wetland vegetation.** Reestablishment and maintenance of permanent native, noninvasive vegetation cover on a wetland that is dominated by invasive or exotic species may receive public value credit. Replacement credit may not exceed 25 percent of the total wetland area vegetatively restored and the vegetative restoration and maintenance plan must be approved by the technical evaluation panel. The technical evaluation panel may require a monitoring period in excess of 12 months after the vegetative restoration is completed before approving the site for replacement credit.

Subp. 9. **Wetlands established via mineral extraction site reclamation.** Wetland areas established in nonwetland areas due to mineral extraction activities may receive new wetland credits if all of the following criteria are met:

A. application for replacement credit is made within ten years after the last day that extraction activities have taken place;

B. a wetland establishment and management plan has

been approved by the technical evaluation panel and implemented by the landowner or authorized agent;

C. the wetland area meets the criteria in part 8420.0550; and

D. if the land is not state-owned, a conservation easement in favor of the state has been accepted by the state and recorded in the county recorder's office, or if the land is state-owned, covenants and restrictions are recorded that identify that the wetland area is a replacement wetland subject to this chapter.

Subp. 10. **Water quality treatment areas.**

A. Replacement credit for water quality treatment ponds constructed to pretreat stormwater runoff prior to discharge to wetlands or public waters is allowed, provided that:

(1) the local government unit has an approved and active stormwater management plan;

(2) the basins are constructed in nonwetland areas; and

(3) the basins are associated with an ongoing or proposed project that will impact a wetland or public waters.

B. Credits are determined according to subitems (1) to (3) by the local government unit with concurrence of the technical evaluation panel.

(1) Public value credit may be allowed for up to 100 percent of the normal pool area of an isolated one-cell, wet detention basin or the upper cell of a two-cell system, or for the one-year design pool of a stormwater infiltration area that also has an established native, noninvasive vegetative cover.

(2) New wetland credit may be allowed for up to 100 percent of the normal pool area of the downstream cell of a two-cell, wet detention system, provided:

(a) the two cells are completely separated by a barrier for up to the ten-year critical event;

(b) the upstream basin meets the criteria in subitem (1);

(c) the downstream cell is designed for a maximum 24-inch rise in water level for the ten-year critical storm event;

(d) the standards in part 8420.0550 are followed; and

(e) the design goal is a fully functioning wetland for the downstream cell.

(3) Buffer areas installed adjacent to two-celled systems that are consistent with subitem (2) and subpart 6 may be allowed for public value credit ~~in an amount up to 75 percent of the acreage of the downstream cell of a two-cell system, provided the buffer is applied only to the downstream cell, has an average width of 50 feet, and is adjacent to the entire periphery of the downstream cell~~.

C. Stormwater detention basins allowed for replacement are not eligible for the exemptions in part 8420.0122 and are subject to parts 8420.0500 to 8420.0630.

Subp. 11. **Wetland creations.** All other wetland creation sites may receive new wetland credit in an amount not to exceed 100 percent of the total wetland area created. Except for public projects, a performance bond or other surety shall be secured and held until the local government unit has determined that the design goal for the wetland replacement site, as approved in the replacement plan, is fully achieved.

8420.0542 TIMING OF REPLACEMENT.

Replacement of wetland functions and values must be completed before or concurrent with the actual draining, excavation, or filling of a wetland, unless an irrevocable bank letter of credit or other security acceptable to the local government unit is submitted to the local government unit to

guarantee successful completion of the replacement. Local government units may require performance bonds or similar instruments to assure that the replacement wetland is successfully established. All wetlands to be restored or created for replacement must be designated for replacement before restoration or creation. Submission to the local government unit of the information required in part 8420.0530 and subsequent approval shall be considered evidence of designation for replacement, provided the information is submitted before the actual restoration or creation. The exceptions contained in part 8420.0544 do not apply to replacement completed using wetland banking credits established by a person who submitted a complete wetland banking application to a local government unit by April 1, 1996.

8420.0543 WETLAND REPLACEMENT SITING.

A. Siting wetland replacement must follow this priority order:

(1) on site or in the same minor watershed as the affected wetland;

(2) in the same watershed as the affected wetland;

(3) in the same county as the affected wetland;

(4) in an adjacent watershed or county to the affected wetland; and

(5) statewide, for:

(a) wetlands affected in greater than 80 percent areas; and

(b) public transportation projects, except that wetlands affected in less than 50 percent areas must be replaced in less than 50 percent areas, and wetlands affected in the seven-county metropolitan area must be replaced in the affected county or, if no restoration opportunities exist in the county, in another seven-county metropolitan area county.

B. When reasonable, practicable, and environmentally beneficial replacement opportunities are not available in siting priorities listed in item A, the applicant may seek opportunities at the next level.

C. For the purposes of item B, "reasonable, practicable, and environmentally beneficial replacement opportunities" means opportunities that:

(1) take advantage of naturally occurring hydrogeomorphological conditions and require minimal landscape alteration;

(2) have a high likelihood of becoming a functional wetland that will continue in perpetuity;

(3) do not adversely affect other habitat types or ecological communities that are important in maintaining the overall biological diversity of the area; and

(4) are available and capable of being done after taking into consideration cost, existing technology, and logistics consistent with overall project purposes.

D. Regulatory agencies, local government units, and other entities involved in wetland restoration shall collaborate to identify potential replacement opportunities within their jurisdictional areas.

8420.0544 REPLACEMENT FOR PUBLIC TRANSPORTATION PROJECTS.

A. Wetlands impacted by public transportation projects may be replaced statewide, except that wetlands impacted in a less than 50 percent area must be replaced in a less than 50 percent area, and wetlands impacted in the seven-county metropolitan area by public roads must be replaced in the affected county, or, if no restoration opportunities exist in the county, in another seven-county metropolitan area county. ~~The exception in~~ Part 8420.0543, item A, subitem (5), does not apply to replacement completed using wetlands banking

credits established by ~~a person~~ an applicant who submitted a complete wetland banking application to a local government unit by April 1, 1996.

B. Replacement of wetlands may be accomplished under the rules for wetland banking as provided for in parts 8420.0700 to 8420.0760.

C. For projects involving draining, excavating, or filling of wetlands associated with a new public transportation project in a greater than 80 percent area, public transportation authorities, other than the state department of transportation, may purchase wetland banking credits if available from the state wetland bank established with proceeds from Laws 1994, chapter 643, section 26, subdivision 3, paragraph (c). Wetland banking credits may be purchased at the least of the following, but in no case shall the purchase price be less than $400 per acre:

(1) the cost to the state to establish the credits;

(2) the average estimated market value of agricultural land in the township where the road project is located, as determined by the commissioner of revenue; or

(3) the average value of the land in the immediate vicinity of the road project as determined by the county assessor.

Public transportation authorities in a less than 80 percent area may purchase wetland banking credits from the state at the state's cost to establish wetland banking credits.

D. A replacement plan for wetlands is not required for individual public road projects that result in the draining, excavating, or filling of wetlands for the repair, rehabilitation, reconstruction, or replacement of a currently serviceable existing state, city, county, or town public road necessary, as determined by the public road authority, to meet state or federal design or safety standards or requirements, excluding new roads or roads expanded solely for additional traffic capacity lanes. This item only applies to authorities for public road projects that:

(1) minimize the amount of wetland draining, excavating, or filling associated with the project and consider mitigating important site-specific wetland functions on site; and

(2)(a) submit, at least 30 days prior to construction, project-specific reports, and any changes or addenda, to the board, the technical evaluation panel, the commissioner of natural resources, and members of the public requesting a copy that indicate the location, amount, and type of wetlands drained, excavated, or filled by the project;

(b) convene an annual meeting of the parties required to receive notice to review projects to be commenced during the upcoming year; or

(c) for minor and emergency maintenance work impacting less than 10,000 square feet, the public road authority may submit project-specific reports, within 30 days of commencing the activity, to the board and the technical evaluation panel that indicate the location, amount, and type of wetlands that have been drained, excavated, or filled.

E. The technical evaluation panel shall review minimization and delineation decisions made by the public road authority and provide recommendations regarding on-site mitigation if requested to do so by the local government unit, a contiguous landowner, or a member of the technical evaluation panel.

F. Those required to receive notice of public road projects may appeal minimization, delineation, and on-site mitigation decisions made by the public road authority to the board according to part 8420.0250.

G. Changes to wetland impacts proposed by local road authorities in item D shall be reported to the board within six months from the date of the change being finalized.

H. Except for state public transportation projects, for which the state Department of Transportation is responsible, the board must replace public road project impacts to wetlands and wetland areas of public waters if authorized by the commissioner or a delegated authority, that are drained, excavated, or filled by local government projects on existing roads. Replacement of the wetlands must occur in critical rural and urban watersheds.

I. Public road authorities at their discretion may deviate from federal and state design standards on existing road projects when practical and reasonable to avoid wetland filling or draining, provided that public safety is not unreasonably compromised. The local road authority and its officers and employees are exempt from liability for any tort claim for injury to persons or property arising from travel on the highway and related to the deviation from the design standards for construction or reconstruction under this item. This item does not preclude an action for damages arising from negligence in construction or maintenance on a highway.

8420.0545 PRESETTLEMENT WETLAND ACRES AND AREAS.

A. For purposes of parts 8420.0540 to 8420.0549, the following counties are greater than 80 percent areas: Aitkin; Beltrami; Carlton; Cass; Clearwater; Cook; Crow Wing; Hubbard; Isanti; Itasca; Kanabec; Koochiching; Lake; Lake of the Woods; Mille Lacs; Pine; St. Louis; and Wadena.

B. For purposes of parts 8420.0540 to 8420.0549, the following counties are less than 50 percent areas: Big Stone; Blue Earth; Brown; Carver; Chippewa; Clay; Cottonwood; Dakota; Dodge; Douglas; Faribault; Fillmore; Freeborn; Goodhue; Grant; Hennepin; Houston; Jackson; Kandiyohi; Kittson; Lac Qui Parle; Le Sueur; Lincoln; Lyon; Mahnomen; Marshall; Martin; McLeod; Meeker; Mower; Murray; Nicollet; Nobles; Norman; Olmsted; Pennington; Pipestone; Polk; Pope; Ramsey; Red Lake; Redwood; Renville; Rice; Rock; Roseau; Scott; Sibley; Stearns; Steele; Stevens; Swift; Traverse; Wabasha; Waseca; Washington; Watonwan; Wilkin; Winona; Wright; and Yellow Medicine.

C. For purposes of parts 8420.0540 to 8420.0549, the following counties are 50 to 80 percent areas: Anoka; Becker; Benton; Chisago; Morrison; Otter Tail; Sherburne; and Todd.

WETLAND AREAS

8420.0545 T=1: 1 page - Insert MN wetland area map here. no h/s

8420.0546 SIZE OF REPLACEMENT WETLANDS.

Replacement wetlands must be of a size sufficient to ensure that they provide equal or greater public value than the wetland that was drained or filled. Except in greater than 80 percent areas, for a wetland located on nonagricultural land, the minimum size of the replacement wetland must be in the ratio of two acres of replaced wetland for each acre of drained or filled wetland. For a wetland located on agricultural land, or in greater than 80 percent areas, the minimum size of the replacement wetland must be in the ratio of one acre of replaced wetland for each acre of drained or filled wetland. The actual replacement ratios required for a replacement wetland may be more than the minimum, subject to the evaluation of wetland functions and values in part 8420.0549.

Except in greater than 80 percent areas, future owners may make no use of the wetland after it is altered, other than as agricultural land for a period of ten years unless future replacement to achieve a 2:1 ratio occurs. The landowner shall record a notice of this restriction in the office of the county recorder in which the project is located.

8420.0547 OTHER REQUIREMENTS.

Subpart 1. **Carbon balance.** When it is necessary to replace a drained or filled peatland, the replacement wetland must be revegetated with planted or naturally pioneering native vegetation established within three growing seasons.

Subp. 2. **Ecological consistency.** Restoration and replacement of wetlands must be accomplished according to the ecology of the landscape area affected. A replacement plan that would result in wetlands or wetland characteristics that do not naturally occur in the landscape area in which the replacement will occur will not be approved.

8420.0548 SPECIAL CONSIDERATIONS.

Subpart 1. **Scope.** The factors in this part, when identified as being applicable to an impact site or a replacement site, must be considered by the local government unit in the review of replacement plans.

Subp. 2. ~~**Federal or state-listed**~~ **Endangered** **and threatened species.** A replacement plan for activities that involve ~~sites where~~ taking species listed as endangered or threatened in parts 6134.0200 to 6134.0400 ~~are known to be present~~ must be denied ~~if it is determined that the proposed activities will constitute a taking of those listed species under~~ unless the commissioner issues a permit pursuant to part 6212.1800 or Minnesota Statutes, section 84.0895, subdivision 7. ~~Limited information on the presence~~ Applicants may determine if there are known locations of listed species at a particular site ~~is available from~~ by contacting the Department of Natural Resources' natural heritage and nongame research program. ~~Activities that involve taking listed species are subject to Minnesota Statutes, section 84.0895.~~

Subp. 3. **Rare natural communities.** A replacement plan for activities that involve the modification of a rare natural community as determined by the Department of Natural Resources' natural heritage program must be denied if the local government unit determines that the proposed activities will permanently adversely affect the natural community.

Subp. 4. **Special fish and wildlife resources.** A replacement plan for activities that would have a significant adverse impact that cannot be mitigated on a special or locally significant fish and wildlife resource must be denied. These activities include, but are not limited to:

A. fish passage and spawning areas;

B. colonial waterbird nesting colonies;

C. migratory waterfowl concentration areas;

D. deer wintering areas; and/or

E. wildlife travel corridors.

Activities involving streams must not block fish passage unless approved by the Department of Natural Resources.

Subp. 5. **Archaeological, historic, or cultural resource sites.** A replacement plan for activities that involve the modification of known archaeological, historical, or cultural resource sites on or eligible for the National Register of Historic Places, as designated by the state historic preservation officer, must be denied, if the local government unit, in consultation with the State Historical Preservation Office, determines that the proposed activities will have a significant adverse impact on the archaeological or historical value of the site.

Subp. 6. **Groundwater sensitivity.** A replacement plan for activities must be denied if the local government unit determines the activities would have a significant adverse impact on groundwater quality. The publication "Criteria and Guidelines for Assessing Geologic Sensitivity of Ground Water Resources in Minnesota" (MDNR, 1991) may be used as a guide in

determining potential impacts.

Subp. 7. **Sensitive surface waters.** A replacement plan must be denied if the local government unit determines the activities will have a significant adverse impact on the water quality of outstanding resource value waters listed in part 7050.0180 or on trout waters designated by the commissioner.

Subp. 8. **Education or research use.** Wetlands known to be used for educational or research purposes must be maintained or adequately replaced.

Subp. 9. **Waste disposal sites.** The local government unit must evaluate the type and amount of waste material found at the site. Activities involving known or potential hazardous wastes or contaminants must be conducted according to applicable federal and state standards.

Subp. 10. **Consistency with other plans.** The local government unit must consider the extent to which proposed activities are consistent with other plans, such as watershed management plans, land use plans, zoning, and master plans.

8420.0549 EVALUATION OF WETLAND FUNCTIONS AND VALUES.

Subpart 1. **Evaluation options.** Replacement wetlands must replace the functions and values that are lost from a wetland that is drained or filled. When environmentally preferable, a replacement wetland should replace the same combination of functions and values provided by the impacted wetland. Replacement of wetland functions and values may occur at more than one location. The local government unit may allow the evaluation of wetlands by measuring and comparing public values specified in Minnesota Statutes, section 103B.3355, with a scientifically accepted methodology in subparts 7 and 8.

Subp. 2. **Wetland types: wetlands classification equivalency chart.** For purposes of this part, the following table serves as a key for using Table 2 (subpart 4, item A) and as a wetland classification equivalency chart for the wetland classification developed by the United States Fish and Wildlife Service (Cowardin et al. 1979), and the approximate wetland type from the United States Fish and Wildlife Service Circular No. 39 (1971 edition).

Table 1. Wetland Classification Equivalency Chart. The Cowardin classification includes system, subsystem, class, subclass, and/or water regime. The Circular 39 wetland type is approximated.

Cowardin System	Circular 39
L1 (all)	5*
L2ABF	4
L2ABG	5
L2ABH	5
L2EMA	5
L2EMB	5
L2EMF	4
L2EMG	4
L2EMH	5
L2RS	5
L2UB	5
L2US	4
PABF	4
PABG	4
PABH	5
PEMA	1
PEMB	2, 8
PEMC	3
PEMD	3
PEME	2
PEMF	3

81.6	PEMG	4
81.7	PEMH	4
81.8	PEMJ	1
81.9	PEMU	3
81.10	PEMW	1
81.11	PEMY	3
81.12	PEMZ	4
81.13	PFOA	1L**
81.14	PFO1B	7
81.15	PFO2B	7
81.16	PFO4B	7
81.17	PFO5B	7
81.18	PFO6B	7
81.19	PFO7B	7
81.20	PFOC	7
81.21	PFOD	7
81.22	PFOF	7
81.23	PFOJ	1L**
81.24	PFOU	1L**
81.25	PFOW	1L**
81.26	PFOY	7
81.27	PMLB	8
81.28	PRB (all)	5
81.29	PSSA	6
81.30	PSS1B	6
81.31	PSS2B	8
81.32	PSS3B	8
81.33	PSS4B	8
81.34	PSS5B	6
81.35	PSS6B	6
81.36	PSS7B	8
81.37	PSSC	6
81.38	PSSD	6
81.39	PSSF	6
81.40	PSSG	6
81.41	PSSH	6
81.42	PSSJ	6
81.43	PSSW	6
81.44	PSSY	6
81.45	PSSZ	6
81.46	PSSU	6
81.47	PUBB	3
81.48	PUBF	4
81.49	PUBG	5
81.50	PUBH	5
81.51	PUS (all)	3
81.52	R1	R2***
81.53	R2 (all)	R2***
81.54	R3 (all)	R3***
82.1	R4 (all)	R4***
82.2	R5	R4***

82.3 * Circular No. 39 does not classify deep water as a wetland
82.4 type, but for purposes of this table, these areas can be
82.5 approximated as a type 5.
82.6 ** 1L wetlands by Circular No. 39 are Type 1 Bottomland
82.7 Hardwoods.
82.8 *** No equivalent. Circular No. 39 does not address riverine
82.9 wetlands.
82.10 "K" water regimes are often municipal/industrial water
82.11 facilities.
82.12 NOTE: In the case of wetland identified using the Cowardin
82.13 system with both numerator and denominator wetland types, the
82.14 numerator type is considered the dominant wetland type, with the
82.15 exception that the denominator wetland type is to be used when
82.16 the numerator wetland type vegetation is dead.

STATE OF MINNESOTA WATERSHED BOUNDARIES - 1979
(81 MAJOR WATERSHED UNITS)

LIST OF 81 MAJOR WATERSHED UNITS OF MINNESOTA

84.2	1	Lake Superior (north)
84.3	2	Lake Superior (south)
84.4	3	St. Louis River
84.5	4	Cloquet River
84.6	5	Nemadji River
84.7	7	Mississippi River (Headwaters, Lake Winnibigoshish)
84.8	8	Leech Lake River
84.9	9	Mississippi River (Grand Rapids)
84.10	10	Mississippi River (Brainerd)
84.11	11	Pine River
84.12	12	Crow Wing River
84.13	13	Redeye River (Leaf River)
84.14	14	Long Prairie River
84.15	15	Mississippi River (Sartell)
84.16	16	Sauk River
84.17	17	Mississippi River (St. Cloud)
84.18	18	North Fork Crow River
84.19	19	South Fork Crow River
84.20	20	Mississippi River (Metro)
84.21	21	Rum River
84.22	22	Minnesota River (Headwaters)
84.23	23	Pomme de Terre River
84.24	24	Lac qui Parle River
84.25	25	Minnesota River (Granite Falls)
84.26	26	Chippewa River
84.27	27	Redwood River
84.28	28	Minnesota River (Mankato)
84.29	29	Cottonwood River
84.30	30	Blue Earth River
84.31	31	Watonwan River
84.32	32	Le Sueur River
84.33	33	Minnesota River (Shakopee)
84.34	34	St. Croix River (Upper)
84.35	35	Kettle River
84.36	36	Snake River
84.37	37	St. Croix River (Stillwater)
84.38	38	Mississippi River (Red Wing) and Lake Pepin
84.39	39	Cannon River
84.40	40	Mississippi River (Winona)
84.41	41	Zumbro River
84.42	42	Mississippi River (La Crescent)
84.43	43	Root River
84.44	44	Mississippi River (Revo)
84.45	46	Upper Iowa River
84.46	47	Wapsipinican River (Headwaters)
84.47	48	Cedar River
84.48	49	Shell Rock River
84.49	50	Winnebago River (Lime Creek)
84.50	51	West Fork des Moines River (Headwaters)
84.51	52	West Fork des Moines River (Lower)
84.52	53	East Fork des Moines River
84.53	54	Bois de Sioux River
85.1	55	Mustinka River
85.2	56	Otter Tail River
85.3	57	Red River of the North (Headwaters)
85.4	58	Buffalo River
85.5	59	Marsh River
85.6	60	Wild Rice River
85.7	61	Sandhill River
85.8	62	Upper and Lower Red Lake
85.9	63	Red Lake River
85.10	65	Thief River

66 Clearwater River
67 Grand Marais Creek (Red River of the North)
68 Snake River
69 Tamarack River (Red River of the North)
70 Two River
71 Roseau River
72 Rainy River (Headwaters)
73 Vermillion River
74 Rainy River (Rainy Lake)
75 Rainy River (Manitou)
76 Little Fork River
77 Big Fork River
78 Rapid River
79 Rainy River (Baudette)
80 Lake of the Woods
81 Big Sioux River (Medary Creek)
82 Big Sioux River (Pipestone)
83 Rock River
84 Little Sioux River

Subp. 3. **In-kind wetland replacement.** Wetland replacement for drainage, excavation, or fill shall be considered in-kind if one of the following applies:

A. the replacement wetland is of the same type as the impacted wetland;

B. the replacement wetland is within the same county as the impacted wetland; or

C. the replacement wetland is in the same watershed as the ~~replacement~~ impacted wetland. For in-kind replacement, the minimal replacement ratio shall be used to determine the necessary size of the replacement wetland. For impacted wetlands on agricultural land, or in greater than 80 percent areas, the minimum replacement ratio is 1:1, requiring an equal area be replaced for the area impacted. For less than 80 percent areas and for impacted wetlands on nonagricultural land, the minimum replacement ratio is 2:1, and public value credits can be used for the portion of replacement required above 1:1.

Subp. 4. **Out-of-kind wetland replacement.** Out-of-kind replacement is any replacement that is not in-kind in subpart 3.

If a wetland to be drained or filled exhibits more than one wetland type as determined by the technical evaluation panel, and more than one wetland type is proposed to be drained or filled, the local government unit shall use the following procedure to determine needed replacement. The acreage of each wetland type to be impacted shall be determined. The sum of the replacement for each wetland type shall be the resultant acreage requirement.

Table 2.

Replacement Type	Impact Location \Af\a80% Area or Ag Land	Impact Location \AF\a80% Area and Non-Ag Land
In-kind (same wetland type or same watershed or same county)	1:1	2:1
Out-of-kind: direct replacement	1.5:1	2.5:1
Out-of-kind: banking	1.25:1	2.25:1

*See Table 1 of subpart 2 for wetland classification equivalency.

The topographic setting characteristics of a replacement wetland and an impacted wetland shall be described as topographic, riverine, floodplain, flow-through, tributary, or isolated.

Subp. 5. **Determining impacts of partial drainage.** In cases where wetlands will be partially or incompletely drained, the amount of wetland to be replaced must be determined as follows:

The area impacted by partially draining a wetland is determined in two parts. The wetland area where the hydrology is totally removed must be replaced in its entirety. The area that is partially drained must be replaced in an amount that is at least 50 percent of the acreage of the remaining wetland area or determined by an assessment of the wetland functions listed in part 8420.0103, using a methodology chosen by the technical evaluation panel from one of the methodologies established or approved by the board.

Subp. 6. **Alternative evaluation methodologies.** The local government unit may evaluate the replacement plan using a scientifically accepted methodology that evaluates all wetland functions specified in Minnesota Statutes, section 103B.3355, for both the impacted and replacement wetlands. Such alternative methodologies must be approved and listed by the board, in consultation with the commissioners of natural resources and agriculture, and local government units.

When using alternative evaluation methodologies to evaluate replacement plans, the ratio of impact wetland to replacement wetland must not be less than the minimum acreage requirements as listed in ~~subpart 6~~ part 8420.0546, except as provided for in part 8420.0650~~, subpart 2~~.

Subp. 7. **Special cases or appeals.** For projects of unusual complexity, or replacement plans that have been denied and are being appealed, and for which the local government unit believes an alternative evaluation process may produce a substantially different replacement requirement, the local government unit may evaluate the replacement plan using the current version of the Minnesota wetland evaluation methodology or another scientifically accepted methodology approved by the board, in consultation with the commissioner, that evaluates all wetland functions and values for both the impacted and replacement wetlands.

When using a board-approved methodology to evaluate replacement plans, the ratio of impact wetland to replacement wetland must not be less than the minimum acreage requirements as listed in part 8420.0546. Further, the topographic setting ratio in subpart 4 and the local public value ratio, if any, in subpart 4 must also be considered when using a board-approved methodology.

Subp. 8. **Adequacy decision.** A replacement plan that fails to meet the requirements in this part must be considered inadequate in replacing lost functions and values and must be denied by the local government unit. A replacement plan that has been considered by the local government unit and not approved may be revised and resubmitted for consideration by the local government unit. As required by part 8420.0250, the decision of a local government unit to approve, approve with conditions, or deny a replacement plan becomes final if not appealed to the board within 30 days after the date on which the decision is mailed to those required to receive notice of the decision. Within 30 days of completing construction of a replacement wetland, the notice specified in part 8420.0530, item D, subitem (6), must be recorded and proof of recording provided to the local government unit.

8420.0550 WETLAND REPLACEMENT STANDARDS.

Subpart 1. **General requirements.** The standards and guidelines in this part shall be used in wetland creation and restoration efforts to ensure adequate replacement of wetland functions and values.

In evaluating a wetland replacement plan, the local government unit must determine whether the wetland type stated as the replacement plan goal will result from the replacement plan specifications. If a wetland type other than the replacement plan goal is likely to result, the local government unit must evaluate the plan based on this determination. The local government unit must also determine that the proposed replacement plan will adequately replace functions and public values lost. If adequate replacement of function and public value is not likely to result, the local government must determine what further measures are necessary to obtain adequate replacement or deny the replacement plan.

Subp. 2. **Specific requirements.** The standards in items A to H shall be followed in all wetland replacements unless the technical evaluation panel determines that a standard is clearly not appropriate.

A. Water control structures must be constructed using specifications provided in the Minnesota Wetland Restoration Guide or their equivalent. Control structures may be subject to the Department of Natural Resources dam safety regulations.

B. Best management practices must be established and maintained adjacent to the entire perimeter of all replacement wetlands.

C. For replacement wetlands where native, noninvasive vegetation that is characteristic of the wetland type identified as the replacement goal in part 8420.0530, item D, ~~subitem (1),~~ is not likely to become dominant naturally in a five-year period, the replacement wetland shall be seeded or planted with appropriate native, noninvasive species, as determined by the technical evaluation panel. If the replacement wetland is seeded or planted, the seed or planting stock should be from native, noninvasive species of regional wetland origin. During the monitoring period, the applicant must take reasonable steps to ~~prevent and manage~~ control invasion by any nonnative or invasive species, for example, reed canary grass, Canada thistle, common buckthorn, spotted knapweed, leafy spurge, purple loosestrife, and Eurasian water milfoil, that would defeat the revegetation goal of the replacement plan.

D. Erosion control measures as determined by the soil and water conservation district must be employed during construction and until permanent ground cover is established to prevent siltation of the replacement wetland or nearby water bodies.

E. For all restored wetlands where the original organic substrate has been stripped away and for all created wetlands, provisions must be made for providing an organic substrate unless the technical evaluation panel recommends otherwise. When feasible, the organic soil used for backfill should be taken from the drained or filled wetland dominated by native, noninvasive species. Organic soil for backfill from wetlands dominated by nonnative, invasive species should be avoided.

F. The bottom contours of created types 3, 4, and 5 wetlands should be undulating, rather than flat, to provide a variety of water depths, comparable to natural wetlands in the vicinity of the replacement, and be consistent with part 8420.0547, subpart 2.

G. Sideslopes of created portions of wetlands and graded buffer strips must not be steeper than 5:1, five feet horizontally for every one foot vertically as averaged around the wetland. Sideslopes of 10:1 to 15:1 are preferred. More than half of the slopes of graded areas inside the exterior boundaries of restored, created, or enhanced wetlands must be no steeper than 10:1 unless the technical evaluation panel concurs that steeper slopes are acceptable.

H. Created wetlands should have an irregular edge to create points and bays, consistent with part 8420.0547, subpart 2.

Subp. 3. **See repealer.**

8420.0600 MONITORING.

The purpose of wetland replacement monitoring is to ensure that the replacement wetland achieves the goal of replacing lost functions and values.

8420.0610 DURATION OF MONITORING.

Monitoring shall be by means of an annual report as specified in part 8420.0620 and shall continue for five years following completion of the wetland replacement project, or until the technical evaluation panel deems the replacement wetland to be fully functional. Through written notification to the applicant, the local government unit may extend the required monitoring period for not more than an additional five-year period if the goal of the replacement plan has not been achieved, but, in the written opinion of the technical evaluation panel, may be achieved with more time.

8420.0620 MONITORING ANNUAL REPORT.

For text of subpart 1, see M.R. 1999

Subp. 2. **Report content.** The annual report shall include the following information and other site-specific information identified by the local government unit:

For text of items A and B, see M.R. 1999

C. hydrology measurements: seasonal water level elevations or areal coverage measurements during the period April through October;

D. a map of plant communities within the boundaries of the replacement site, including hydrologic indicators observed; and

E. color photographs of the project area taken anytime during the growing season.

8420.0630 MONITORING DETERMINATIONS BY THE LOCAL GOVERNMENT UNIT.

The local government unit responsible for monitoring as determined under part 8420.0230:

A. must inspect the project when construction is complete and certify compliance with construction specifications, and may inspect the project at any time during the construction and monitoring period, and any time after that to assess the long-term viability of the replaced wetland. When the local government unit certifies that the construction specifications have been met, the local government unit shall so advise the applicant and return any construction bond or other construction security that the applicant had provided;

For text of items B and C, see M.R. 1999

D. shall require one or more of the following actions if during the monitoring period the local government unit finds that the goal of the replacement plan will not be met:

(1) order the applicant to prepare and implement a new replacement plan;

(2) issue a cease and desist order on the draining and filling activity if it has not been completed;

(3) order restoration of the impacted wetland;

(4) obtain forfeiture of a bond or other security and use the proceeds to replace the lost wetland functions and values;

(5) ask the district court to order the applicant to fulfill the replacement plan; or

(6) other actions that the local government unit determines necessary to achieve the goal of the replacement plan.

8420.0650 LOCAL COMPREHENSIVE WETLAND PROTECTION AND MANAGEMENT PLANS.

Subpart 1. **General requirements and participation.**

For text of item A, see M.R.

B. An organization that is invited to participate in the development of the local plan, but declines to do so and fails to participate or to provide written comments during the local review process, waives the right during board review to submit comments, except comments concerning consistency of the plan with laws and rules administered by that agency. In determining the merit of an agency comment, the board shall consider the involvement of the agency in the development of the local plan. The technical evaluation panel must be consulted in all components of plan and ordinance development including, but not limited to, conducting wetland functional assessments, establishing wetland management classifications, and identifying local reference standard wetlands.

C. After board approval and local government adoption, replacement plan, exemption, and no-loss determinations are made according to the plan and ordinance. This part provides minimum standards. Local government units must require equivalent or greater standards and procedures for wetland conservation, but not less.

Subp. 2. **Plan contents.** The comprehensive wetland protection and management component of the local water plan may:

A. provide for classification of wetlands in the plan area based on:

(1) an inventory of wetlands in the plan area;

(2) an assessment of the wetland functions listed in part 8420.0103, using a methodology chosen by the technical evaluation panel from one of the methodologies established or approved by the board; and

(3) the resulting public values;

B. vary application of the sequencing standards in part 8420.0520, for projects based on the classification and criteria set forth in the plan;

C. vary the replacement standards of part 8420.0540, based on the classification and criteria set forth in the plan, for specific wetland impacts provided there is no net loss of public values within the area subject to the plan, and so long as:

For text of subitems (1) and (2), see M.R.

D. in a greater than 80 percent area, allow replacement credit, based on the classification and criteria set forth in the plan, for any project that increases the public value of wetlands, including activities on adjacent upland acres;

E. in a greater than 80 percent area, based on the classification and criteria set forth in the plan, expand the application of the exemptions in part 8420.0122, subpart 1, item D, to also include nonagricultural land, provided there is no net loss of wetland values;

F. prescribe standards for size and location of replacement wetlands by establishing type requirements, size/ratio requirements, functional quality requirements, location requirements, and wetland mitigation fee in lieu of direct replacement criteria. Requirements for replacement must have a direct relationship with wetland classification as defined in the plan and must result in no net loss of wetland quantity, quality, and biological diversity over the life of the plan which cannot exceed ten years;

G. allow exemptions based on ordinance standards, eligibility criteria, and processes that are not less restrictive than the requirements in parts 8420.0115, 8420.0122, and 8420.0210 based on wetland classifications as defined in the plan; and

H. define and establish high priority wetland areas

pursuant to parts 8420.0350 and 8420.0400.

Subp. 2a. **Project notice and appeal under local ordinance.**

A. The local government unit shall submit to the commissioner of natural resources, the watershed district if there is one, local government units, members of the technical evaluation panel, and local citizens who request it, a copy of the application and provide at least 15 days' notice for comments and a schedule for a hearing if one is to be held. A copy of all decisions shall be forwarded to those mentioned above within ten days of the action.

B. Appeals of ordinance decisions. Persons may appeal replacement plan, no-loss and exemption determinations made pursuant to an approved wetland ordinance according to the procedures defined in part 8420.0250.

Subp. 3. **Board review and approval; mediation; judicial review.**

For text of items A to F, see M.R.

G. The comprehensive wetland protection and management plan may be developed as part of, or in conjunction with, a local water plan. Except as otherwise provided for in this part, all other requirements relating to development of the plan must be consistent with the local water plan processes under Minnesota Statutes, section 103B.231, 103B.311, or 103D.401.

Subp. 4. **Effective date and amendments.**

A. The plan becomes effective as provided in subpart 3 and after adoption of the plan into the official controls of the local government unit.

B. All amendments to the adopted plan and ordinance must be approved by the board.

C. After the effective date of the plan, a local government unit shall make replacement, exemption, no-loss, and other determinations consistent with the plan.

Subp. 5. **See repealer.**

Subp. 6. **See repealer.**

Subp. 7. **Local program capacity requirements.** Any local government unit opting to pursue incorporating this chapter into local ordinance must provide documentation to the board demonstrating local capacity to implement the program consistent with requirements prescribed in part 8420.0200, subpart 2, item A.

Subp. 8. **Reporting and oversight.** An annual activity report must be provided to the board which documents compliance with plan standards as required in subpart 2. The annual report shall include such items as the number and type of permits and exemptions issued, including documentation of the area of wetlands impacted and replaced, complaints received, plan and ordinance violations including number of cease and desist orders, projects constructed, variances granted, and local appeal proceedings.

8420.0720 PRINCIPLES OF WETLAND BANKING.

For text of subpart 1, see M.R. 1999

Subp. 2. **Sequencing prerequisite.** The state wetland banking system may only be used for replacement of drained or filled wetlands when the local government unit determines that the applicant has complied with all of the sequencing requirements of part 8420.0520 and that the owner of the account agrees to the withdrawal of wetland banking credits from the account.

Subp. 3. **Geographic limitations.** Wetland banking is allowed for any impact subject to the requirements of part 8420.0543.

Subp. 4. **Eligible wetlands.** Only wetland and buffer areas eligible for replacement credit under parts 8420.0540 to

8420.0549 are eligible for deposit in the state wetland bank.

For text of subps 5 and 6, see M.R. 1999

Subp. 7. **Wetland banking credit withdrawals and transfers.** Wetland banking credits may be withdrawn to provide replacement pursuant to an approved replacement plan or equivalent ~~or~~. Wetland banking credits may also be transferred to another account holder for future use or resale if a ~~state~~ conservation and access easement has been recorded as required in subpart 8. Wetland banking credits may be withdrawn from an account or transferred to another account by submittal of such requests on forms provided by the board along with any authorized fees. No sale, withdrawal, or transfer of credits is final until the board approves and debits the account of origin.

Subp. 8. **Conservation and access easement.** No credits may be deposited in the state wetland bank until a perpetual conservation easement, in a format provided by the board, is granted to and accepted by the state. The easement shall provide for preservation of the banked wetland's functions by the fee owner and wetland banking plan applicant. The wetland banking plan applicant must also provide a title insurance policy that is acceptable to the state naming the state of Minnesota as the insured. If the conservation easement does not abut a public road, the fee owner and wetland banking plan applicant must also grant and record an access easement in favor of the board, the local government unit, and any other state, local, or federal regulatory authority that has authorized use of credits from the site for mitigation. This subpart does not apply to state land.

Subp. 8a. **Reporting of sale of credits.** The owner of an account in the state wetland bank must report the sale of credits to the board on withdrawal or transfer forms prescribed by the board and include a copy of the bill of sale. Proposed withdrawals are not complete until at least one regulatory authority has approved the use of the subject credits for a specific purpose. Failure to report credit sales may result in restrictions on withdrawals until the account is reconciled.

Subp. 9. **See repealer.**

Subp. 10. **Marking of boundaries of bank areas.** The boundary of bank areas must be clearly marked ~~with visible monuments such as signs or fence posts at prominent locations. The monuments must be made of nondegradable material and shall be at least four feet in height and contain the wording "Wetland Bank Area - Subject to Use Restrictions."~~ as prescribed in the conservation and access easement.

Subp. 11. **Administrative fees.** The board and local government units may collect administrative fees for managing wetland banking accounts.

Subp. 12. **Wetland banking appeals.** Appeals of the local government unit banking determinations are taken according to part 8420.0250.

8420.0730 ADMINISTRATION AND MANAGEMENT AUTHORITY.

Subpart 1. **Establishment.** The board shall establish a state wetland bank. The board or the board's assignee is responsible for management of the bank including recording all bank transactions, maintaining bank records, and ensuring that the operation of the bank complies with parts 8420.0700 to 8420.0760. The board shall notify all local government units upon establishment of the bank. Any separate banking system including those established by local governments must comply with parts 8420.0700 to 8420.0760 and must be approved by the board and the commissioner.

Subp. 2. **Deposit prerequisites.** To be deposited into the state wetland bank, a wetland must be certified as eligible for deposit by the local government unit in which it is located,

according to part 8420.0740, subpart 1. If a local government unit elects to certify wetlands for deposit in the wetland bank, the local government unit is also responsible for ensuring that the monitoring provisions in part 8420.0750 are fulfilled. A local government unit may decline to certify all wetlands within its jurisdiction or, based on a comprehensive local water or wetland protection and management plan, a local government unit may elect to certify wetlands for deposit into the wetland bank only in selected areas, for example, high priority regions and areas. If the local government unit elects to reject or limit banking, it must do so by rule or ordinance, as applicable. The board may reject or modify an application for deposit if, during its review, any part of the bank application or plan is missing, incorrect, or inconsistent with this chapter.

Subp. 3. **See repealer.**

8420.0740 PROCEDURES.

Subpart 1. **Deposits and credits.**

A. Wetland replacement credits approved before July 1, 1993, are eligible for deposit into the state wetland banking system if the wetland replacement credit was authorized by a public agency specifically for a wetland bank that has been approved by the commissioner. Also, wetland replacement credits that have been deposited in a local government unit bank before July 1, 1993, and after January 1, 1992, are eligible for deposit into the state wetland banking system if the deposit meets all the criteria in parts 8420.0700 to 8420.0760 based on a site inspection and review by the board and the commissioner.

B. After July 1, 1993, wetlands restored or created without prior local government unit approval as specified in this part are not eligible for deposit into the wetland bank.

C. There is no maximum or minimum wetland acreage eligible for deposit in the wetland bank. Based on the recommendation of the technical evaluation panel, the local government unit must identify the acreage that will receive credit. The acreage must be based on a land survey or comparable method of field measurement of the credit areas recommended for deposit. The person making the measurement must certify in writing as to the method and accuracy of the measurement.

D. The initial deposit of wetland banking credits must be done by the fee title owner or easement holder of the wetland bank area.

E. Except as provided for in item A, in order to deposit wetland acres into the wetland bank, the wetland banking plan applicant must notify the local government unit in writing, before restoration or creation, that the proposed wetland is specifically designated for deposit into the wetland bank. This notification may be part of the documentation requested in item F. In cases where excess wetland acreage is expected to result from a specific replacement plan according to parts 8420.0530 to 8420.0550, the owner must indicate on the replacement plan that the excess acreage is to be considered available for wetland banking or lose the opportunity to use the excess credits for future projects. If the excess credit is less than 1.0 acre, an account may be established without the need to grant a perpetual conservation easement to the state of Minnesota.

F. In cases where a wetland is proposed to be restored or created solely for wetland banking purposes, that is, the wetland is not part of a project-specific wetland replacement plan, the wetland banking plan applicant must submit to the local government unit a bank plan containing the information required in part 8420.0530, items A and D. The bank plan must include design plans that show structural, earthmoving, and vegetative management components. The plan must clearly show existing jurisdictional wetlands and areas

proposed to receive credit, and be signed, dated, and consistent with part 8420.0550.

A copy of the bank plan shall be mailed to members of the technical evaluation panel, the administrator of the state wetland bank, members of the public who have requested a copy, the commissioner of natural resources, the district office of the United States Army Corps of Engineers, and the watershed district or watershed management organization if there is one. Based on input from the technical evaluation panel and other comments received, the local government unit must determine the likelihood that the restoration or creation will be successful and approve, modify, or reject the banking plan. The local government unit decision must be made in compliance with Minnesota Statutes, section 15.99, which generally requires a decision to be made within 60 days of receipt of a complete application. The local government unit decision must be mailed to the wetland banking plan applicant within ten working days of the decision. A summary of the government unit decision must be mailed within ten working days of the decision to those required to receive notice of the application.

G. In cases where a wetland is to be restored or created by an agency, department, or subdivision of the local government unit for deposit into the wetland bank, the local government unit must prepare the information required in part 8420.0530, items A and D, and notice this information according to item F.

H. The proposed wetland must be restored or created within two years of approval or the bank plan must be resubmitted for consideration. Upon approval, the wetland banking plan applicant shall restore or create the wetland and notify the local government unit when construction has been completed. The technical evaluation panel shall inspect the site when construction is completed to ensure that construction specifications and the vegetation management plan have been followed. Failure to follow approved construction specifications and the vegetation management plan is sufficient grounds for the local government unit to deny consideration of the wetland for banking.

I. Up to 15 percent of the proposed credits are eligible for deposit in the bank immediately after completion of construction and vegetative planting if all of the following subitems apply:

(1) For projects that contain elements that include dams, dikes, or other impoundment features, the construction plans were designed, overseen, and certified by a registered professional engineer.

(2) The technical evaluation panel certifies that the initial planting has been completed in accordance with the vegetation management plan.

(3) The provisions of part 8420.0720, subpart 8a, have been complied with.

The remaining proposed credits may be eligible for deposit no sooner than six months after construction has been completed and approved for restored wetlands, and no sooner than one year after construction has been completed and approved for created wetlands. The wetland banking plan applicant shall contact the local government unit to request a determination of wetland bank acceptability and approved quantities of wetland banking credits for initial and subsequent deposits. The technical evaluation panel shall ensure that sufficient time has been allowed for the wetland to become established, especially vegetation and hydrology, before making this determination. If the technical evaluation panel has reason to believe that the wetland characteristics may change substantially, the panel must postpone its recommendation to the local government unit until

the wetland has stabilized. As part of its initial review and comment on the bank plan, the panel may recommend specific performance standards that are linked to a credit allocation schedule. The wetland banking plan applicant must be advised of any performance standards and credit allocation schedule recommended by the panel.

Based on a site visit, the technical evaluation panel will determine the size and type of wetland as well as topographic setting characteristics and, if applicable, the new wetland credits and public value credits resulting from the to be deposited wetland. The technical evaluation panel will provide the information to the local government unit.

J. The local government unit shall consider the recommendations of the technical evaluation panel and comments from those required to receive a copy of the banking plan prior to developing findings. The local government unit shall review and approve wetland banking credits and submit the complete wetland bank application for deposit, wetland bank project application, and ~~plan~~ plans to the board. If the wetland banking plan applicant chooses not to proceed with the deposit, the wetland banking plan applicant may return the wetland to its preconstruction condition without replacement within five years. At any time within the five-year period, the wetland banking plan applicant may request the board to deposit any or all eligible and approved credits into the bank or may amend the bank plan and resubmit the plan to the local government unit for board certification. After five years, any activity in the wetland is subject to this chapter.

K. To be deposited into the bank, the following information concerning the wetland must be submitted to the board by the wetland banking plan applicant or by local government unit in which the wetland is located:

(1) name, address, and telephone number of the wetland banking plan applicant;

(2) a complete copy of the wetland banking plan application, supporting documents, and a survey of the land area that will be subject to restrictions;

(3) a copy of the deed for the property containing the wetland and any easement if the wetland banking plan applicant is not the fee owner;

(4) size of the wetland acreage to be deposited, to the 0.1 acre, by wetland type and topographic setting characteristics and, if applicable, the new wetland credits and public value credits; and

(5) local government unit certification that the wetland is approved for deposit into the bank.

L. The board shall acknowledge the deposit to the wetland banking plan applicant and local government unit and officially enter the information in item K into the wetland bank. Information on deposited wetlands shall be available from the board on request according to subpart 2, item D.

M. Wetlands deposited into the wetland bank, on which withdrawals have occurred, are subject to replacement for any subsequent drainage or filling.

N. Wetlands deposited into the wetland bank are subject to the monitoring provisions in part 8420.0750.

Subp. 2. **Withdrawals.**

A. Before consideration of use of the wetland bank, replacement plan applicants must satisfy the requirements of part 8420.0520 or equivalent.

B. Credits from the state wetland bank may be used to mitigate wetland losses authorized by local government units or other local, state, and federal regulatory authorities provided the impacted wetland is within the state of Minnesota and the credit withdrawal procedures of this chapter are followed.

C. When using the wetland bank to replace drained or filled wetlands, the replacement must comply with parts 8420.0540 to 8420.0549.

For text of item D, see M.R. 1999

E. The applicant may contact, negotiate, and purchase the required wetland banking credits from the account holder. When the account holder and applicant come to agreement, the applicant will provide requested information on a wetland banking credit withdrawal form developed by the board, and include the wetland banking credit withdrawal form as part of the wetland replacement plan transmitted to the local government unit. The wetland banking credit withdrawal form will include information indicating the wetland type by acres for withdrawal, location of banked wetland, and the topographic setting characteristics and, if applicable, the new wetland credits and public value credits of the banked wetland.

For text of item F, see M.R. 1999

G. On approval of the applicant's wetland replacement plan using wetland banking credits as wetland replacement, the local government unit shall notify the board to debit the appropriate account by type and amount. The board will complete the accounting transactions and send a notice of wetland banking credit withdrawal to the account holder and the applicant. No sale, withdrawal, transfer, or use of wetland credits is valid until the board debits a wetland bank account. Wetland credits may be only used once.

H. The applicant shall not be allowed to begin proposed drain or fill activities until the local government unit formally approves the wetland replacement plan using the acknowledged wetland banking credits as replacement and the applicant has received notice of withdrawal of the wetland banking credits from the board or local government unit.

I. An individual, corporation, local government unit, state or federal agency, or other organization may buy and hold wetland banking credits from account holders in the bank for later use or resale. Transfer of wetland banking credits must be accomplished through use of a board wetland banking credit transfer form, and must be maintained in an account in the state wetland banking system. An account will be established for the individual or organization on presentation to the board of a wetland banking credit transfer form, and evidence that the perpetual conservation easement required by part 8420.0720, subpart 8, has been recorded. The board will notify both account holders on transfer of the wetland banking credits.

8420.0750 AUDITING AND MONITORING.

Subpart 1. **Annual report and audit.**

For text of items A to C, see M.R. 1999

D. A wetland bank status report shall be prepared as part of the report required by Minnesota Statutes, section 103G.2373, and distributed by the board to applicable local government units, soil and water conservation districts, watershed districts, watershed management organizations, the departments of natural resources and agriculture, and on request.

Subp. 2. **Monitoring.**

A. After the wetland is entered into the bank, the local government unit responsible for monitoring under part 8420.0230 and the wetland banking plan applicant shall continue monitoring according to parts 8420.0600 to 8420.0630. A copy of each monitoring report must be submitted to the local government unit and the board.

For text of item B, see M.R. 1999

8420.0760 ENFORCEMENT AND CORRECTIVE ACTIONS.

A. The fee owner and the wetland banking applicant, if different from the fee owner, are jointly and severally

responsible for the success of the wetland banking project and maintaining the wetland banking project in accordance with the approved wetland banking plan both during and after monitoring~~,~~ ~~provided that~~. The wetland banking plan applicant, if different from the fee owner, is not responsible after monitoring if the wetland banking plan applicant no longer owns an easement interest in the real estate or credits associated with the banked wetland.

B. If, on inspection, the board determines that wetlands deposited in the wetland bank are not in compliance with this chapter, the board must prescribe corrective measures to the local government unit and fee owner or wetland banking plan applicant to bring the wetland into compliance.

C. If satisfactory remediation does not result, the board may refuse future wetland bank certifications by the local government unit and future deposits from the fee owner or wetland banking plan applicant.

D. If, whether during or after the completion of the monitoring, a local government unit or the technical evaluation panel determines that a banked wetland does not substantially meet the specifications in the approved bank plan, the local government unit or technical evaluation panel must notify the board. The board shall restrict further withdrawals and transfers of all credits associated with the wetland, whether held by the wetland banking plan applicant or a subsequent account holder, until the local government unit or technical evaluation panel notifies the board, or the board otherwise determines, that the wetland banking project has been brought into compliance.

E. The local government unit or the board may undertake reconstruction work and require reimbursement of reasonable costs from the fee owner or wetland banking plan applicant.

F. Fee owners, wetland banking plan applicants, or account holders may appeal restrictions on credit withdrawals and transfers~~, civil penalties,~~ or demands for reimbursement of reconstruction costs to the dispute resolution committee of the board which shall make a recommendation to the full board.

G. Noncompliance with or impacts to, wetland banking projects are subject to enforcement under part 8420.0290.

8420.1010 PURPOSE.

The purpose of parts 8420.1010 to 8420.1070 is to provide minimum standards and criteria for the identification, protection, and management of calcareous fens as authorized by Minnesota Statutes, section 103G.223. Calcareous fens may not be drained or filled or otherwise altered or degraded except as provided for in a management plan approved by the commissioner.

Part 8420.0122 does not apply to calcareous fens.

8420.1070 ENFORCEMENT PROCEDURES.

Enforcement procedures for calcareous fens shall be conducted consistent with Minnesota Statutes, sections 103G.141 and 103G.2372, except that necessary restoration or replacement activities, if required, will be determined by the commissioner, in consultation with the local soil and water conservation district.

REPEALER. Minnesota Rules, parts 8420.0110, subpart 44; 8420.0235; and 8420.0250, subpart 5; 8420.0550, subpart 3; 8420.0650, subparts 5 and 6; 8420.0720, subpart 9; and 8420.0730, subpart 3, are repealed.

EFFECTIVE DATE. This chapter is effective July 31, 2002.

RENUMBERER. The rule parts in column A are renumbered as the rule parts in column B.

A	B

113.9	8420.0540, subp 2, item D	8420.0541, subp 1
113.10	8420.0540, subp 2, item D, subitem (2)	8420.0541, subp 6
113.11	8420.0540, subp 2, item D, subitem (3)	8420.0541, subp 7
113.12	8420.0540, subp 3	8420.0542
113.13	8420.0540, subp 4	8420.0543
113.14	8420.0540, subp 5	8420.0544
113.15	8420.0540, subp 5a	8420.0545
113.16	8420.0540, subp 6	8420.0546
113.17	8420.0540, subp 7	8420.0547, subp 1
113.18	8420.0540, subp 8	8420.0547, subp 2
113.19	8420.0540, subp 9	8420.0548, subp 1
113.20	8420.0540, subp 9, item A	8420.0548, subp 2
113.21	8420.0540, subp 9, item B	8420.0548, subp 3
113.22	8420.0540, subp 9, item C	8420.0548, subp 4
113.23	8420.0540, subp 9, item D	8420.0548, subp 5
113.24	8420.0540, subp 9, item E	8420.0548, subp 6
113.25	8420.0540, subp 9, item F	8420.0548, subp 7
113.26	8420.0540, subp 9, item G	8420.0548, subp 8
113.27	8420.0540, subp 9, item H	8420.0548, subp 9
113.28	8420.0540, subp 9, item I	8420.0548, subp 10
113.29	8420.0540, subp 10, item A	8420.0549, subp 1
113.30	8420.0540, subp 10, item B	8420.0549, subp 2
113.31	8420.0540, subp 10, item C	8420.0549, subp 3
113.32	8420.0540, subp 10, item D	8420.0549, subp 4
113.33	8420.0540, subp 10, item E	8420.0549, subp 5
113.34	8420.0540, subp 10, item G	8420.0549, subp 6
113.35	8420.0540, subp 10, item H	8420.0549, subp 7
113.36	8420.0540, subp 10, item I	8420.0549, subp 8

New Business

3. CREP Grants to SWCDs
   DECISION

2002 SWCD CREP TECHNICIAN GRANTS

YEAR FOUR STAFFING GRANT AGREEMENTS WITH SWCD'S FOR CREP IMPLEMENTATION JUNE 2002

BWSR is recommending the following grant accounts to support a CREP technician employed at the following SWCD's offices. It is the intent of BWSR that this grant supports the CREP staff in your office from a period beginning July 1, 2002 to June 30, 2003. See attached table for county SWCD Grant amounts:

SWCD	# of Staff	Grant $ 7/1/02 – 6/30/2003
Chippewa	1	27,000
Cottonwood	1	27,000
Lac qui Parle	1	27,000
Lincoln	1	18,000
Lyon-Murray*	1	31,500
Martin	1	27,000
Redwood	1	27,000
Renville	1	27,000
Swift	1	27,000
Waseca-Freeborn*	1	31,500
Watonwan	1	18,000
Yellow Medicine	1	27,000
	12	$315,000

*Position will work in the two counties

BWSR CREP SPECIALIST ADMINISTRATIVE GRANT

BWSR is recommending that we provide an administrative grant to the SWCD to support the BWSR CREP Specialist position located in their SWCD office. This grant is for a total of $1,000-2,000 and being awarded up front to them as a reimbursement. It is our desire that this grant be used to cover these traditional or other related, CREP expenses for July 1, 2002 to December 31, 2002 (office space, copying, misc.), see attached table for County SWCD Grant amounts.

SWCD	7/1/2002-9/30/2002	7/1/02 – 12/31/2002
Blue Earth		$2,000
Chippewa		2,000
Douglas		2,000
Faribault		2,000

SWCD	7/1/2002-9/30/2002	7/1/02 – 12/31/2002
Lincoln/Lac qui Parle		2,000
Lyon		2,000
Martin		2,000
Murray/Cottonwood	1,000	
Pope/Stevens		2,000
Renville		2,000
Waseca	1,000	
Yellow Medicine	1,000	
	$3,000	$18,000.00 = $21,000

New Business

4. FY03 SWCD Grants
   DECISION

PROPOSED FY 03 SOIL and WATER CONSERVATION DISTRICT GRANTS

At their June 12, 2002 Meeting, The Cost Share Committee finalized their FY 03 SWCD allocation recommendations for four BWSR grant programs. These grant programs are:

A) Regular Statewide Cost Share Base Grants
B) Feedlot Water Quality Management Grants
C) General Services
D) RIM Reserve Services

A brief summary of each of these programs follows with highlights and topics of concern for this year.

A) Regular Statewide Cost Share Base Grants - $1,856,414 - These base grants are for the installation of conservation practices. This will be the first year of allocations utilizing the new allocation policy adopted by the Board in February 2001:

* *Beginning in FY 03, performance standards should be implemented to increase the efficiency of allocated funds. SWCDs with a "high" level of productivity will receive a $1,000 annual increase. Grants to SWCDs with a "medium" level of productivity will remain the same. SWCDs with a "low" level of productivity will receive a 5% grant decrease. Funds for increases will come from the Special Projects fund. Funds from decreases will go to the Special Projects fund. "High", "medium", and "low", will be defined by BWSR staff. Over time, these Performance Standards will "fine tune" allocations to where they are utilized most.*

Recommendation

The Committee supports the staff recommendation that "high" be defined as spending 80% or more; "medium", 60% - 79%; and "low", as < 60% of their grant on projects. These definitions would indicate that the following SWCDs (37) would receive a $1,000 increase for FY 03:

Pennington	Mower	Steele	McLeod	Nicollet	Benton
Kanabec	Pine	Becker	Lake/Woods	Mahnomen	Wadena
Brown	Faribault	Le Sueur	Waseca	Watonwan	Goodhue
Cottonwood	Pipestone	Redwood	Rock	Anoka	Dakota
Ramsey	Washington	Carlton	Cook	Koochiching	Lake
Lincoln	Yellow Med.	Hennepin	Morrison	Stearns	West Ottertail
Wilkin					

The following SWCDs (8) would receive a 5% decrease:

Marshall – Beltrami
Red Lake
Aitkin
Mille Lacs
Clearwater
Hubbard
North St. Louis
Big Stone

Regular Statewide Cost Share Base Grant funding recommendations are listed on the enclosed spreadsheet (Exhibit D).

B) Feedlot Water Quality Management Grant - $1,903,500 - The 2001 Special Session legislation increased this appropriation $5,000. One hundred seventy nine applications were received requesting $5,825,663. Grant funds must be used for waste management systems for small feedlots (less than 500 animal units) to benefit water quality. Grant funds may not be used for new or expansion feedlot projects. The State Cost Share Program is used to administer and implement this Program. Funding priorities for this Program are ranked as follows:

Priority	
1	Feedlots in riparian locations
2	Feedlot operations where FLEVAL indicates a high pollution potential
3	Practices that *will* be applied in calendar year 2002
4	Feedlot operators who have received a notice of violation
5	Feedlots in counties that are conducting or have completed a level 2 or level 3 feedlot inventory

SWCDs may request an amount for their technical and administrative costs up to ten % of individual project funds requested. Application reviews and funding recommendations are made by the BWSR Grants Team. These FY 03 proposed grants are listed on the enclosed spreadsheet (Exhibit A).

If a project is canceled in a SWCD, funds may be encumbered on another feedlot project, with BC approval. If another project is not available, funds are to be returned to BWSR in a timely manner and may be re-allocated to the next highest ranked project.

C) General Services Grant - $2,153,219 - This base grant is for expenditures necessary to the operations of the district. It is noncompetitive. These grants include a $70,000 2001 Special Session legislative appropriation increase. According to BWSR policy, this increase will be allocated by ½, equally; ½ according to the NRCS Workload Analysis. These FY 03 proposed grants are listed on the enclosed spreadsheet (Exhibit B).

D) RIM Reserve Service Grant - $907,763 - This grant is allocated to SWCDs as compensation for local delivery of the RIM Reserve Program and the conveyance of easements. The grant amount is calculated by a Board approved formula and reflects the amount of easement activity in the SWCD.

To keep these grants as equitable as possible, the grant amounts for some SWCDs were adjusted to keep them at their FY 02 level where easement activity has stayed nearly constant. These adjustments amount to an additional $107,950. This additional amount will come from CREP bond funds that have been approved for easement implementation activities by the Dept. of Finance.

This past year, BWSR also participated in the Minnesota Continuous Conservation Reserve Program (CCRP). This unique partnership between SWCDs, Pheasants Forever, DNR, and NRCS; encourages landowners to enroll eligible lands in CCRP practices. Funding for this Program has resulted in the hiring of 28 temporary employees in SWCDs to provide landowner assistance. BWSR's commitment to this Program is $50,000.

These RIM Services grants include additional CCRP amounts from $500 - $3,500 for 28 SWCDs.

These proposed grants are listed on the enclosed spreadsheet (Exhibit C).

Recommendation

The Cost Share Committee recommends approval of allocations as submitted and summarized on Exhibit D.



FISCAL YEAR 2003 FWQM GRANT REPORT
TOTAL FUNDS AVAILABLE: $1,903,500
TOTAL PROJECT COSTS: $9,438,521
TOTAL FUNDS REQUESTED: $5,825,662
TOTAL APPLICANTS: 179

	APPLICANT	PRODUCER	RIPARIAN	FLEVAL RATING	PRACTICE START DATE	COMPLETE INVENTORY	LEVEL	ANIMAL UNITS	ANIMAN SPECIES	VIOLATION NOTICE	TOTAL PROJECT COST	FWQM FUNDS REQUESTED	T/A FUNDS REQUESTED	TOTAL FUNDS REQUESTED	CUMULATIVE
1	Winona SWCD	Jim Albrecht	B	70	6/1/2003	Yes	2	45	DAIRY	No	$40,000	$30,000	$3,000	$33,000	$33,000
2	Steele SWCD	Glen Schuette	B	69	7/1/2002	Yes	2	420	DAIRY	No	$70,000	$45,500	$4,500	$50,000	$83,000
3	Stearns SWCD	Melvin Felderend	B	69	9/15/2002	Yes	2	375	BEEF	No	$75,000	$45,455	$4,545	$50,000	$133,000
4	Carver SWCD	Leander Meulener	B	67	10/30/2002	Yes	3	215	BEEF	Yes	$26,700	$20,000	$2,000	$22,000	$155,000
5	Watonwan SWCD	Ron Bocock	B	65	9/1/2002	Yes	2	435	BEEF	No	$40,000	$30,000	$3,000	$33,000	$188,000
6	Murray SWCD	Chuck Hill	B	62	9/1/2002	Yes	2	200	DAIRY	No	$15,000	$11,250	$1,125	$12,375	$200,375
7	Wabasha SWCD	Jake Stamschror	B	60	1/1/2003	Yes	2	400	DAIRY	No	$44,000	$33,000	$3,300	$36,300	$236,675
8	Dakota SWCD	John Fink	B	60	8/1/2002	Yes	2	141	DAIRY	Yes	$49,088	$36,816	$3,682	$40,497	$277,172
9	Rice SWCD	Joyce Sammon	C	59	7/1/2003	Yes	2	311	DAIRY	No	$125,000	$46,000	$4,000	$50,000	$327,172
10	Carver SWCD	Eugene Helmbrecht	B	58	7/15/2002	Yes	3	55	DAIRY	No	$12,700	$9,500	$950	$10,450	$337,622
11	Wabasha SWCD	Jeff Wiebusch	B	57	1/1/2003	Yes	2	122	DAIRY	No	$40,000	$30,000	$3,000	$33,000	$370,622
12	Dakota SWCD	Carl Hunter	B	56	8/1/2002	No	2	250	DAIRY	Yes	$66,283	$45,455	$4,546	$50,000	$420,622
13	Dakota SWCD	Todd Peine	B	56	8/1/2002	Yes	2	102	DAIRY	Yes	$125,000	$45,455	$4,545	$50,000	$470,622
14	Winona SWCD	Ray Mussell	A	55	7/1/2003	Yes	2	120	DAIRY	No	$100,000	$45,000	$4,500	$49,500	$520,122
15	Goodhue SWCD	Brent Lexvold Lexvold Dairy	B	55	8/1/2002	Yes	2	495	DAIRY	Yes	$75,000	$50,000	$0	$50,000	$570,122
16	Rock SWCD	Doug Boeve	B	55	9/1/2002	Yes	3	250	CATTLE	No	$25,000	$18,750	$1,875	$20,625	$590,747
17	Scott SWCD	Dave Minar	B	55	11/1/2002	Yes	3	241	DAIRY	No	$50,000	$37,500	$3,000	$40,500	$631,247
18	Winona SWCD	LeRoy Kronebusch	D	54	5/1/2003	Yes	2	175	DAIRY	No	$110,000	$32,500	$3,250	$35,750	$666,997
19	Kanabec SWCD	Darwin Steinbrecker	B	54	9/1/2002	No	0	124	BEEF	No	$23,802	$17,852	$1,785	$19,637	$686,634
20	Winona SWCD	Ed Haauck	D	54	6/1/2003	Yes	2	76	DAIRY	No	$40,000	$30,000	$3,000	$33,000	$719,634
21	Goodhue SWCD	Jeff Jacobson	B	53	5/1/2003	Yes	2	450	DAIRY	No	$75,000	$50,000	$0	$50,000	$769,634
22	Wabasha SWCD	Tim Mehrken	B	53	9/1/2002	Yes	2	231	DAIRY	No	$140,000	$45,500	$4,500	$50,000	$819,634
23	Watonwan SWCD	Alan Guyer	B	52	9/1/2002	Yes	2	115	BEEF	No	$19,000	$14,250	$1,425	$15,675	$835,309
24	Douglas SWCD	Greg Sabolik	A	52	10/1/2002	Yes	0	66	DAIRY	No	$16,000	$8,000	$800	$8,800	$844,109
25	Wabasha SWCD	Chris & Tim Kujawa	B	50	9/1/2002	Yes	2	115	DAIRY	No	$121,000	$45,500	$4,500	$50,000	$894,109
26	Root River SWCD	Mike Burg	B	50	7/15/2002	Yes	2	192	BEEF	No	$37,700	$28,275	$2,827	$31,102	$925,211
27	Ottertail, East SWCD	David Ebbersvilter	B	49	7/1/2002	No	0	400	DAIRY	Yes	$75,000	$45,455	$4,545	$50,000	$975,211
28	Wabasha SWCD	Casey Leonhardt	B	48	9/1/2002	Yes	2	131	DAIRY	No	$64,000	$45,500	$4,500	$50,000	$1,025,211
29	Winona SWCD	Richard Mueller	D	48	7/1/2003	Yes	2	75	DAIRY	No	$60,000	$45,000	$4,500	$49,500	$1,074,711
30	Carver SWCD	Earl Kline	B	47	10/15/2002	Yes	3	68	BEEF	Yes	$14,700	$11,000	$1,100	$12,100	$1,086,811
31	Winona SWCD	Mike Giles	B	46	8/1/2003	Yes	2	120	DAIRY	No	$60,000	$45,000	$4,500	$49,500	$1,136,311
32	Winona SWCD	Lynne Arnett	B	45	9/1/2002	Yes	2	70	DAIRY	No	$30,000	$22,500	$2,250	$24,750	$1,161,061
33	Wabasha SWCD	Lyle Wright	B	45	9/1/2002	Yes	2	211	DAIRY	No	$77,000	$45,500	$4,500	$50,000	$1,211,061
34	Watonwan SWCD	Kim Olson	B	45	5/1/2003	Yes	2	130	BEEF	No	$42,000	$31,500	$3,150	$34,650	$1,245,711
35	McLeod SWCD	David Schuch	B	44	8/1/2002	Yes	2	118	DAIRY	Yes	$70,000	$50,000	$0	$50,000	$1,295,711
36	Winona SWCD	Bruce Hilke	D	43	7/1/2003	Yes	2	138	DAIRY	No	$20,000	$15,000	$1,500	$16,500	$1,312,211
37	Wabasha SWCD	Jake Stelling	B	43	9/1/2002	Yes	2	213	DAIRY	No	$144,000	$45,500	$4,500	$50,000	$1,362,211
38	Douglas SWCD	Roy Roers	A	43	8/15/2002	Yes	0	180	BEEF	No	$8,000	$6,000	$600	$6,600	$1,368,811

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39	Rice SWCD	Dean Franz	C	43	9/1/2002	Yes	2	243	DAIRY	Yes	$125,000	$46,000	$4,000	$50,000	$1,418,811	
40	Lac Qui Parle SWCD	Greg Strei	B	43	8/1/2002	No	2	26	BEEF	Yes	$5,333	$4,000	$400	$4,400	$1,423,211	
41	Carver SWCD	Dave Boemeke	A	43	9/30/2002	Yes	3	47	DAIRY	Yes	$11,600	$8,700	$870	$9,570	$1,432,781	
42	Winona SWCD	David Drenckhahn	A	43	6/1/2003	Yes	2	200	DAIRY	Yes	$80,000	$40,000	$4,000	$44,000	$1,476,781	
43	Watonwan SWCD	Orlin Howe	A	42	8/1/2003	Yes	2	290	BEEF	No	$15,000	$11,250	$1,125	$12,375	$1,489,156	
44	Winona SWCD	Perry Fitch	B	42	9/1/2002	Yes	2	75	STEER	No	$35,000	$26,250	$2,625	$28,875	$1,518,031	
45	Dakota SWCD	Paul Gergen	B	42	8/1/2002	Yes	2	54	BEEF	Yes	$28,715	$21,536	$2,154	$23,690	$1,541,721	
46	Ottertail, West SWCD	David Akerman	A	42	10/1/2002	No	0	126	DAIRY	No	$61,000	$39,500	$3,950	$43,450	$1,585,171	
47	Wright SWCD	George Bakeberg	A	42	9/1/2002	Yes	2	140	DAIRY	No	$67,000	$50,000	$0	$50,000	$1,635,171	
48	Fillmore SWCD	Greg Mulhern Mulhern Dairy	D	41	9/1/2003	Yes	2	490	DAIRY	No	$160,000	$45,000	$4,500	$49,500	$1,684,671	
49	Goodhue SWCD	Robert Erridge	B	41	7/1/2003	Yes	2	30	DAIRY	No	$75,000	$50,000	$0	$50,000	$1,734,671	
50	Watonwan SWCD	Brian Romsdahl	A	41	8/1/2002	Yes	2	100	BEEF	No	$25,000	$18,750	$1,875	$20,625	$1,755,296	
51	Root River SWCD	Mark Gerard	B	41	7/15/2002	Yes	2	245	DAIRY	No	$24,500	$18,375	$1,837	$20,212	$1,775,508	
52	Wright SWCD	Larry Wanous	A	40	9/1/2002	Yes	2	95	DAIRY	No	$10,000	$7,500	$750	$8,250	$1,783,758	
53	Root River SWCD	John Schroeder	B	40	7/15/2002	Yes	2	168	DAIRY	No	$69,900	$45,500	$4,500	$50,000	$1,833,758	
54	Goodhue SWCD	Keith Mohoney	B	40	7/1/2003	Yes	2	60	DAIRY	No	$65,000	$48,750	$1,250	$50,000	$1,883,758	
55	Goodhue SWCD	Robert Thumann	B	39	8/1/2002	Yes	2	73	DAIRY	No	$20,000	$15,000	$1,500	$16,500	$1,900,258	Funding Ends
56	Wabasha SWCD	Ken Holst	B	39	1/1/2003	Yes	2	121	DAIRY	No	$44,000	$33,000	$3,300	$36,300	$1,936,558	
57	Fillmore SWCD	Glen Thomas	B	39	5/1/2003	Yes	2	239	BEEF	No	$30,000	$22,500	$2,250	$24,750	$1,961,308	
58	Winona SWCD	David Haauck	D	39	6/1/2003	Yes	2	30	DAIRY	No	$30,000	$22,500	$2,250	$24,750	$1,986,058	
59	Pipestone SWCD	Tom Nelson	B	38	7/1/2002	Yes	2	175	BEEF	No	$18,315	$13,736	$1,373	$15,109	$2,001,167	
60	Goodhue SWCD	Richard Miller Pine Island	B	38	7/1/2003	Yes	2	90	DAIRY	No	$90,000	$50,000	$0	$50,000	$2,051,167	
61	Carver SWCD	Hillary Tanke	A	38	10/15/2002	Yes	3	135	BEEF	No	$14,500	$10,900	$1,090	$11,990	$2,063,157	
62	Goodhue SWCD	Dick Sviggum	B	37	6/1/2003	Yes	2	90	BEEF	No	$12,500	$9,375	$937	$10,312	$2,073,469	
63	Morrison SWCD	Wayne Vetsch	B	37	7/15/2002	Yes	3	182	DAIRY	Yes	$71,535	$25,000	$2,500	$27,500	$2,100,969	
64	Fillmore SWCD	Virgil Moeller	B	37	7/1/2002	Yes	2	300	BEEF	No	$42,000	$31,500	$3,150	$34,650	$2,135,619	
65	Carver SWCD	Norbert Knott	B	37	9/30/2002	Yes	3	272	DAIRY	No	$20,700	$15,500	$1,550	$17,050	$2,152,669	
66	Mower SWCD	Gary Mullenbach	C	36	9/1/2002	Yes	3	135	DAIRY	No	$40,000	$30,000	$3,000	$33,000	$2,185,669	
67	Goodhue SWCD	Scott/Chad Hinsch	B	35	5/1/2003	Yes	2	285	DAIRY	No	$140,000	$50,000	$0	$50,000	$2,235,669	
68	Scott SWCD	Jeff Riesgraph	B	35	12/1/2002	Yes	3	100	DAIRY	No	$10,000	$7,500	$700	$8,200	$2,243,869	
69	Stearns SWCD	Elmer Keppers	B	34	9/15/2002	Yes	2	105	DAIRY	No	$40,000	$30,000	$3,000	$33,000	$2,276,869	
70	Winona SWCD	Bruce Heim	D	33	7/1/2003	Yes	2	150	DAIRY	No	$90,000	$40,000	$4,000	$44,000	$2,320,869	
71	Winona SWCD	LaVayne Urban	D	33	10/1/2002	Yes	2	175	DAIRY	No	$95,000	$31,250	$3,125	$34,375	$2,355,244	
72	Carver SWCD	Al Wickenhauser	B	32	11/15/2002	Yes	3	115	DAIRY	No	$60,000	$45,000	$4,500	$49,500	$2,404,744	
73	Chisago SWCD	Ron and Sue Johnson	A	32	7/1/2002	No	2	122	DAIRY	Yes	$75,000	$44,565	$4,456	$49,021	$2,453,765	
74	Winona SWCD	Rob Miller	D	32	8/1/2003	Yes	2	52	DAIRY	No	$75,000	$45,000	$4,500	$49,500	$2,503,265	
75	Kanabec SWCD	Tom Roeschlein	B	32	7/1/2002	No	0	90	BEEF	No	$36,000	$27,000	$2,700	$29,700	$2,532,965	
76	Stearns SWCD	Joe Herdering	A	31	9/15/2002	Yes	2	225	DAIRY	No	$91,000	$45,455	$4,545	$50,000	$2,582,965	

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77	Rock SWCD	Mark Bakken	B	30	9/1/2002	Yes	3	57	CATTLE	No	$26,500	$19,875	$0	$19,875	$2,602,840
78	Rock SWCD	Kevin Oehlerts	B	30	9/1/2002	Yes	3	70	CATTLE	No	$26,000	$19,500	$0	$19,500	$2,622,340
79	Winona SWCD	Carl Moldenhauer	B	30	9/1/2002	Yes	2	100	STEER	No	$60,000	$45,000	$4,500	$49,500	$2,671,840
80	Watonwan SWCD	Larry Dannen	B	29	10/1/2002	Yes	2	180	BEEF	No	$27,000	$20,250	$2,025	$22,275	$2,694,115
81	Rock SWCD	Art Boeve	B	29	9/1/2002	Yes	3	200	CATTLE	No	$25,000	$18,750	$1,875	$20,625	$2,714,740
82	Root River SWCD	Merle Becker	B	28	7/15/2002	Yes	2	150	BEEF	No	$24,950	$18,712	$1,871	$20,583	$2,735,323
83	Wabasha SWCD	Vincent Sexton	B	27	1/1/2003	Yes	2	192	DAIRY	No	$65,000	$45,500	$4,500	$50,000	$2,785,323
84	Carver SWCD	Gerald Muellers	B	27	10/15/2002	Yes	3	147	BEEF	Yes	$16,000	$12,000	$1,200	$13,200	$2,798,523
85	Root River SWCD	Ed Troendle	B	27	7/15/2002	Yes	2	300	BEEF	No	$38,450	$28,837	$2,883	$31,720	$2,830,243
86	Winona SWCD	Arthur Moldenhauer	B	26	10/1/2002	Yes	2	150	STEER	No	$45,000	$33,750	$3,375	$37,125	$2,867,368
87	Stearns SWCD	Dan Klaphake	B	26	9/15/2002	Yes	2	121	DAIRY	No	$65,000	$45,455	$4,545	$50,000	$2,917,368
88	Winona SWCD	Cliff Thompson	B	25	9/1/2003	Yes	2	40	DAIRY	No	$35,000	$26,250	$2,625	$28,875	$2,946,243
89	Fillmore SWCD	Tom Boelter	B	25	7/1/2003	Yes	2	190	BEEF	No	$20,000	$15,000	$1,500	$16,500	$2,962,743
90	Goodhue SWCD	David Buck	B	25	7/1/2002	Yes	2	310	DAIRY	No	$150,000	$50,000	$0	$50,000	$3,012,743
91	Stearns SWCD	Jeff Boeckerman	A	25	9/15/2002	Yes	2	110	DAIRY	No	$67,000	$45,455	$4,546	$50,000	$3,062,743
92	Stearns SWCD	Michael Wiechmann	A	23	9/15/2002	Yes	2	247	DAIRY	No	$76,000	$15,000	$1,500	$16,500	$3,079,243
93	Fillmore SWCD	John Glady	B	23	7/1/2003	Yes	2	70	BEEF	No	$20,000	$15,000	$1,500	$16,500	$3,095,743
94	Carver SWCD	Dwayne Harms	B	22	8/15/2002	Yes	3	110	DAIRY	No	$8,700	$6,500	$650	$7,150	$3,102,893
95	Kanabec SWCD	Richard LeCoqc	B	20	9/1/2002	No	0	98	BEEF	No	$21,140	$15,855	$1,586	$17,441	$3,120,334
96	Fillmore SWCD	Don Faye	B	17	7/1/2002	Yes	2	32	BEEF	No	$41,880	$31,410	$3,141	$34,551	$3,154,885
97	Ottertail, East SWCD	Carl Hanson	B	17	7/1/2002	No	0	95	DAIRY	No	$75,000	$45,455	$4,545	$50,000	$3,204,885
98	Todd SWCD	Charles Koopmeiners	C	15	7/1/2002	Yes	2	66	DAIRY	No	$32,000	$9,000	$900	$9,900	$3,214,785
99	Mower SWCD	David Geerdes	B	14	8/1/2002	Yes	3	175	BEEF	No	$25,000	$18,750	$1,875	$20,625	$3,235,410
100	Ottertail, East SWCD	John Richter	A	10	7/1/2002	No	0	93	DAIRY	No	$75,000	$45,455	$4,545	$50,000	$3,285,410
101	Pine SWCD	John Pemberton	B	9	8/1/2003	No	0	98	DAIRY	No	$38,000	$28,500	$2,850	$31,350	$3,316,760
102	Wabasha SWCD	Ed Zabel	B	0	1/1/2003	Yes	2	71	DAIRY	No	$28,000	$21,000	$2,100	$23,100	$3,339,860
103	Todd SWCD	Mark Primus	A	0	7/1/2002	Yes	2	60	BEEF	No	$6,000	$4,500	$450	$4,950	$3,344,810
104	Wadena SWCD	John Malone	B	0	8/1/2002	No	3	87	DAIRY	No	$9,000	$6,750	$600	$7,350	$3,352,160
105	Wadena SWCD	Dan Middendorf	B	0	8/1/2002	No	3	200	DAIRY	No	$15,000	$11,250	$1,000	$12,250	$3,364,410
106	Ottertail, East SWCD	Jim Bucholz	A	0	7/1/2002	No	0	182	DAIRY	No	$75,000	$45,455	$4,545	$50,000	$3,414,410
107	Wadena SWCD	Michael Strayer	B	0	8/1/2002	No	3	205	DAIRY	No	$21,000	$15,750	$1,500	$17,250	$3,431,660
108	Wabasha SWCD	John Dittrich	NO	63	1/1/2003	Yes	2	211	BEEF	No	$61,000	$45,000	$4,500	$49,500	$3,481,160
109	Wabasha SWCD	Nate Arendt	NO	61	8/1/2002	Yes	2	470	DAIRY	No	$45,333	$34,000	$3,400	$37,400	$3,518,560
110	Carver SWCD	Jerry Beckrich	NO	61	6/30/2003	Yes	3	170	DAIRY	No	$66,700	$46,000	$4,000	$50,000	$3,568,560
111	Kandiyohi SWCD	Don Powers	NO	60	7/15/2002	Yes	2	140	DAIRY	No	$66,000	$6,000	$600	$6,600	$3,575,160
112	Faribault SWCD	Ray Holland		60	7/15/2002	Yes	2	450	BEEF	Yes	$36,000	$18,259	$1,826	$20,085	$3,595,245
113	Wabasha SWCD	Dave Wolf	NO	56	9/1/2002	Yes	2	140	DAIRY	No	$111,000	$45,500	$4,500	$50,000	$3,645,245
114	Carver SWCD	Kevin Pierson	NO	56	10/30/2002	Yes	3	188	DAIRY	Yes	$53,750	$40,000	$4,000	$44,000	$3,689,245

FISCAL YEAR 2003 FWQM GRANT REPORT
TOTAL FUNDS AVAILABLE: $1,903,500
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TOTAL FUNDS REQUESTED: $5,825,662
TOTAL APPLICANTS: 179

	APPLICANT	PRODUCER	RIPARIAN	FLEVAL RATING	PRACTICE START DATE	COMPLETE INVENTORY	LEVEL	ANIMAL UNITS	ANIMAN SPECIES	VIOLATION NOTICE	TOTAL PROJECT COST	FWQM FUNDS REQUESTED	T/A FUNDS REQUESTED	TOTAL FUNDS REQUESTED	CUMULATIVE
115	Wabasha SWCD	Tom Welti	NO	55	1/1/2003	Yes	2	170	DAIRY	No	$140,000	$45,500	$4,500	$50,000	$3,739,245
116	Wabasha SWCD	Bill Miller	NO	54	9/1/2002	Yes	2	220	DAIRY	No	$66,000	$45,500	$4,500	$50,000	$3,789,245
117	Stearns SWCD	Mike Hekenhoff		52	9/15/2002	Yes	2	154	DAIRY	No	$61,000	$45,455	$4,546	$50,000	$3,839,245
118	Wabasha SWCD	Dale Kackman	NO	52	9/1/2002	Yes	2	297	DAIRY	No	$133,000	$45,500	$4,500	$50,000	$3,889,245
119	Waseca SWCD	Lynn Below		51	7/1/2002	No	3	500	BEEF	Yes	$95,943	$50,000	$0	$50,000	$3,939,245
120	Kandiyohi SWCD	Tim Poortyliet	NO	50	7/25/2002	Yes	3	150	DAIRY	No	$85,000	$10,000	$1,000	$11,000	$3,950,245
121	Stearns SWCD	Glen Helnen		48	9/15/2002	Yes	2	134	DAIRY	No	$61,000	$45,455	$4,545	$50,000	$4,000,245
122	Wabasha SWCD	Keith Brehmer	NO	47	9/1/2002	Yes	2	282	DAIRY	Yes	$112,000	$45,500	$4,500	$50,000	$4,050,245
123	Dakota SWCD	Don Malecha	NO	46	8/1/2002	Yes	2	243	DAIRY	Yes	$74,383	$45,455	$4,545	$50,000	$4,100,245
124	Murray SWCD	Harry Brands		45	7/1/2003	Yes	2	400	BEEF	No	$80,000	$20,000	$2,000	$22,000	$4,122,245
125	Wabasha SWCD	Jon Meyer	NO	44	1/1/2003	Yes	2	137	DAIRY	No	$102,000	$45,000	$4,500	$49,500	$4,171,745
126	Wabasha SWCD	Raleigh Mehrken	NO	40	1/1/2003	Yes	2	71	BEEF	No	$40,000	$30,000	$3,000	$33,000	$4,204,745
127	Faribault SWCD	Duane Ehrich		40	7/15/2002	Yes	2	400	BEEF	Yes	$50,000	$32,748	$3,275	$36,022	$4,240,767
128	Carver SWCD	Dan Stender	NO	39	6/30/2003	Yes	3	125	DAIRY	No	$53,350	$40,000	$4,000	$44,000	$4,284,767
129	Carver SWCD	Dennis Hoen	NO	38	6/30/2003	Yes	3	140	DAIRY	No	$62,000	$46,000	$4,000	$50,000	$4,334,767
130	Stearns SWCD	James Walle		38	9/15/2002	Yes	2	185	DAIRY	No	$65,000	$45,455	$4,545	$50,000	$4,384,767
131	Wabasha SWCD	Lowel Schaffeler	NO	37	1/1/2002	Yes	2	51	BEEF	No	$37,333	$28,000	$2,000	$30,000	$4,414,767
132	Stearns SWCD	Danial Wener		35	9/15/2002	Yes	2	35	DAIRY	No	$65,000	$45,455	$4,545	$50,000	$4,464,767
133	Carver SWCD	John Lachermeier	NO	34	10/15/2002	Yes	3	125	DAIRY	No	$9,600	$7,200	$720	$7,920	$4,472,687
134	Stearns SWCD	Alan Voigt		34	9/15/2002	Yes	2	50	DAIRY	No	$65,000	$45,455	$4,545	$50,000	$4,522,687
135	Wabasha SWCD	Al Peters	NO	33	1/1/2003	Yes	2	71	DAIRY	No	$64,000	$45,000	$4,500	$49,500	$4,572,187
136	Carver SWCD	Leon Kelzer	NO	28	9/15/2002	Yes	3	240	SWINE	Yes	$8,700	$6,500	$650	$7,150	$4,579,337
137	Wabasha SWCD	Larry Leonhardt	NO	23	1/1/2003	Yes	2	177	DAIRY	No	$44,000	$33,000	$3,300	$36,300	$4,615,637
138	Wabasha SWCD	Steve Weibusch	NO	21	1/1/2003	Yes	2	80	DAIRY	No	$28,000	$21,000	$2,100	$23,100	$4,638,737
139	Carver SWCD	Erland Loehrs	NO	19	9/15/2002	Yes	3	20	BEEF	No	$8,700	$6,500	$650	$7,150	$4,645,887
140	Stearns SWCD	Elmer and Glen Himerkemp		19	9/15/2002	Yes	2	100	DAIRY	No	$65,000	$45,455	$4,545	$50,000	$4,695,887
141	Stearns SWCD	Peter Welle		19	9/15/2002	Yes	2	120	DAIRY	No	$65,000	$45,455	$4,545	$50,000	$4,745,887
142	Carver SWCD	Elmer Hartmann	NO	18	9/30/2002	Yes	3	48	DAIRY	No	$12,000	$9,000	$900	$9,900	$4,755,787
143	Carver SWCD	Wayne Mauenteffel	NO	14	7/30/2003	Yes	3	128	DAIRY	No	$8,700	$6,500	$650	$7,150	$4,762,937
144	Carver SWCD	Ruben Schumacher		12	8/30/2002	Yes	3	100	BEEF	No	$5,600	$4,200	$420	$4,620	$4,767,557
145	Stearns SWCD	Barry Marren		11	9/15/2002	Yes	2	77	DAIRY	No	$62,000	$45,455	$4,545	$50,000	$4,817,557
146	Stearns SWCD	Steve Hellmann		0	9/15/2002	Yes	2	76	DAIRY	No	$62,000	$45,455	$4,545	$50,000	$4,867,557
147	Murray SWCD	David Schwartz		0	7/1/2003	Yes	3	272	DAIRY	No	$100,000	$35,000	$3,500	$38,500	$4,906,057
148	Wabasha SWCD	Albert Meyer	NO	0	1/1/2003	Yes	2	131	DAIRY	No	$69,000	$45,000	$4,500	$49,500	$4,955,557
149	Winona SWCD	Ron Pulley		57	7/1/2003	Yes	2	57	DAIRY	No	$35,000	$26,250	$2,625	$28,875	$4,984,432
150	Winona SWCD	Bob Marg		54	6/1/2003	Yes	2	35	DAIRY	Yes	$20,000	$15,000	$1,500	$16,500	$5,000,932
151	Winona SWCD	Roland Mueller		51	9/1/2002	Yes	2	75	DAIRY	No	$25,000	$18,750	$1,875	$20,625	$5,021,557
152	Kanabec SWCD	Alan Sigurdsen		50	9/1/2002	No	0	104	DAIRY	No	$33,088	$24,816	$2,482	$27,298	$5,048,855

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	APPLICANT	PRODUCER	RIPARIAN	FLEVAL RATING	PRACTICE START DATE	COMPLETE INVENTORY	LEVEL	ANIMAL UNITS	ANIMAN SPECIES	VIOLATION NOTICE	TOTAL PROJECT COST	FWQM FUNDS REQUESTED	T/A FUNDS REQUESTED	TOTAL FUNDS REQUESTED	CUMULATIVE
153	Goodhue SWCD	Steve Emery		45	6/1/2003	Yes	2	230	DAIRY	No	$38,000	$28,500	$2,850	$31,350	$5,080,205
154	Goodhue SWCD	Duane Daley		45	6/1/2003	Yes	2	220	BEEF	No	$28,000	$21,000	$2,100	$23,100	$5,103,305
155	Goodhue SWCD	Steve Matthees		43	7/1/2002	Yes	2	300	DAIRY	No	$180,000	$50,000	$0	$50,000	$5,153,305
156	Rice SWCD	Alan Malecha		41	7/1/2003	Yes	2	30	BEEF	No	$45,000	$33,750	$3,375	$37,125	$5,190,430
157	Goodhue SWCD	John Goplen		40	9/1/2003	Yes	2	130	DAIRY	No	$80,000	$50,000	$0	$50,000	$5,240,430
158	Root River SWCD	David Alstad		38	9/1/2002	Yes	2	174	BEEF	No	$22,500	$16,875	$1,687	$18,562	$5,258,992
159	Goodhue SWCD	Kurt Emery		38	8/1/2002	No	2	295	BEEF	Yes	$75,000	$50,000	$0	$50,000	$5,308,992
160	Goodhue SWCD	Donald Schliep		37	9/1/2002	Yes	2	162	DAIRY	No	$34,000	$25,500	$2,550	$28,050	$5,337,042
161	Goodhue SWCD	Steve Lindstrom		37	5/1/2003	Yes	2	70	BEEF	No	$30,000	$22,500	$2,250	$24,750	$5,361,792
162	Root River SWCD	Lester Beckman		33	8/15/2002	Yes	2	110	BEEF	No	$18,900	$14,175	$1,417	$15,592	$5,377,384
163	Goodhue SWCD	Brian Brekken		33	9/1/2002	Yes	2	150	BEEF	No	$15,000	$11,250	$1,125	$12,375	$5,389,759
164	Root River SWCD	Don Gade		31	8/15/2002	Yes	2	200	BEEF	No	$22,750	$17,062	$1,706	$18,768	$5,408,527
165	Winona SWCD	Willard Prigge		30	7/1/2003	Yes	2	75	DAIRY	No	$44,000	$33,000	$3,300	$36,300	$5,444,827
166	Goodhue SWCD	Duwaine Egland		29	9/1/2003	Yes	2	150	BEEF	No	$20,000	$15,000	$1,500	$16,500	$5,461,327
167	Root River SWCD	Mike Rediske		27	9/1/2002	Yes	2	168	DAIRY	No	$15,500	$11,625	$1,162	$12,787	$5,474,114
168	Fillmore SWCD	Dave McCabe		26	7/1/2003	Yes	2	120	BEEF	No	$17,500	$13,125	$1,312	$14,437	$5,488,551
169	Goodhue SWCD	Scott Androli		25	8/1/2003	Yes	2	275	BEEF	No	$30,000	$22,500	$2,250	$24,750	$5,513,301
170	Root River SWCD	Harold Kruse		23	9/1/2002	Yes	2	110	DAIRY	No	$15,500	$11,625	$1,162	$12,787	$5,526,088
171	Root River SWCD	Devoine Kruse		23	9/1/2002	Yes	2	194	DAIRY	No	$52,500	$39,375	$3,937	$43,312	$5,569,400
172	Wright SWCD	Steven Rohling		22	9/1/2002	Yes	2	108	DAIRY	No	$40,000	$20,000	$2,000	$22,000	$5,591,400
173	Root River SWCD	Robert Koch		16	9/1/2002	Yes	2	485	DAIRY	Yes	$195,500	$45,500	$4,500	$50,000	$5,641,400
174	Root River SWCD	Mark Schulte		12	9/1/2002	Yes	2	100	BEEF	No	$18,500	$13,875	$1,387	$15,262	$5,656,662
175	Cass SWCD	Randy Norman		4	7/30/2002	Yes	2	434	DAIRY	No	$30,000	$15,000	$0	$15,000	$5,671,662
176	Cass SWCD	Cleo Bach		4	9/30/2002	Yes	2	213	DAIRY	No	$20,000	$10,000	$0	$10,000	$5,681,662
177	Winona SWCD	Doug Thesing		2	9/1/2003	Yes	2	130	DAIRY	No	$85,000	$40,000	$4,000	$44,000	$5,725,662
178	Rock SWCD	I.G. Raak		0	9/1/2002	Yes	3	308	CATTLE	No	$90,000	$48,000	$2,000	$50,000	$5,775,662
179	Fillmore SWCD	Kent Dornink		0	9/1/2003	Yes	2	300	HOGS	No	$75,000	$50,000	$0	$50,000	$5,825,662

RIPARIAN SUMMARY

A= within 1,000 feet of a lake 18 projects
B= within 300 feet of a stream 76 projects
C= within 100 year floodplain 4 projects
D= Sinkhole Catchment Area 9 projects
E= Drinking Water Supply Management Area
Not Riparian 72 projects

Note: 37 more applicants than 2002 with $581,606 increase in funds requested



PROPOSED FY 03 GENERAL SERVICES GRANT

SWCD	1 FY 02 $2,086,830 BASE	2 FY 03 $35,000 = = =	3 FY 03 $35,000 WLA SWCD STAFF YRS.	 WLA GRANT	1+2+3 FY 03 GRANT TOTAL
AITKIN	$23,714	$384	6.7	$551	$24,649
ANOKA	$24,253	$384	8.1	$667	$25,304
BECKER	$22,557	$384	3.7	$304	$23,245
BELTRAMI	$22,441	$384	3.4	$280	$23,105
BENTON	$22,750	$384	4.2	$346	$23,479
BIG STONE	$21,593	$384	1.2	$99	$22,075
BLUE EARTH	$22,403	$384	3.3	$272	$23,058
BROWN	$22,480	$384	3.5	$288	$23,152
CARLTON	$22,210	$384	2.8	$230	$22,824
CARVER	$23,212	$384	5.4	$444	$24,041
CASS	$21,824	$384	1.8	$148	$22,356
CHIPPEWA	$22,480	$384	3.5	$288	$23,152
CHISAGO	$23,251	$384	5.5	$453	$24,087
CLAY	$22,788	$384	4.3	$354	$23,526
CLEARWATER	$22,287	$384	3.0	$247	$22,918
COOK	$21,747	$384	1.6	$132	$22,263
COTTONWOOD	$22,480	$384	3.5	$288	$23,152
CROW WING	$21,901	$384	2.0	$165	$22,450
DAKOTA	$24,716	$384	9.3	$765	$25,866
DODGE	$22,865	$384	4.5	$370	$23,620
DOUGLAS	$23,675	$384	6.6	$543	$24,602
EAST OTTER TAIL #	$22,518	$384	3.6	$296	$23,198
EAST POLK	$22,364	$384	3.2	$263	$23,011
FARIBAULT	$22,865	$384	4.5	$370	$23,620
FILLMORE	$23,636	$384	6.5	$535	$24,555
FREEBORN	$22,672	$384	4.0	$329	$23,386
GOODHUE	$23,559	$384	6.3	$518	$24,462
GRANT	$22,557	$384	3.7	$304	$23,245
HENNEPIN	$30,655	$384	24.7	$2,033	$33,071
HUBBARD	$21,708	$384	1.5	$123	$22,216
ISANTI	$23,675	$384	6.6	$543	$24,602
ITASCA	$22,364	$384	3.2	$263	$23,011
JACKSON	$21,863	$384	1.9	$156	$22,403
KANABEC	$22,248	$384	2.9	$239	$22,871
KANDIYOHI	$23,019	$384	4.9	$403	$23,807
KITTSON	$22,711	$384	4.1	$337	$23,432
KOOCHICHING	$22,017	$384	2.3	$189	$22,590
LAC QUI PARLE	$22,287	$384	3.0	$247	$22,918
LAKE	$21,863	$384	1.9	$156	$22,403
LAKE OF THE WOODS	$21,593	$384	1.2	$99	$22,075
LE SUEUR	$23,135	$384	5.2	$428	$23,947
LINCOLN	$23,405	$384	5.9	$486	$24,275
LYON	$22,750	$384	4.2	$346	$23,479
MAHNOMEN	$21,670	$384	1.4	$115	$22,169
MARSHALL	$21,940	$384	2.1	$173	$22,497
MARSHALL-BELTRAMI	$22,210	$384	2.8	$230	$22,824
MARTIN	$22,441	$384	3.4	$280	$23,105
MC LEOD	$22,325	$384	3.1	$255	$22,965
MEEKER	$22,094	$384	2.5	$206	$22,684
MILLE LACS	$22,403	$384	3.3	$272	$23,058
MORRISON	$23,752	$384	6.8	$560	$24,696
MOWER	$24,292	$384	8.2	$675	$25,351
MURRAY	$21,786	$384	1.7	$140	$22,309
NICOLLET	$22,750	$384	4.2	$346	$23,479
NOBLES	$22,055	$384	2.4	$198	$22,637
NORMAN	$22,518	$384	3.6	$296	$23,198
NORTH ST. LOUIS	$22,325	$384	3.1	$255	$22,965
OLMSTED	$25,217	$384	10.6	$872	$26,474
PENNINGTON	$22,248	$384	2.9	$239	$22,871
PINE	$22,518	$384	3.6	$296	$23,198
PIPESTONE	$22,210	$384	2.8	$230	$22,824
POPE	$22,133	$384	2.6	$214	$22,731
RAMSEY	$22,865	$384	4.5	$370	$23,620

PROPOSED FY 03 GENERAL SERVICES GRANT

SWCD	1 FY 02 $2,086,830 BASE	2 FY 03 $35,000 = = =	3 FY 03 $35,000 WLA SWCD STAFF YRS.	 WLA GRANT	1+2+3 FY 03 GRANT TOTAL
RED LAKE	$21,631	$384	1.3	$107	$22,122
REDWOOD	$22,865	$384	4.5	$370	$23,620
RENVILLE	$23,019	$384	4.9	$403	$23,807
RICE	$26,374	$384	13.6	$1,119	$27,878
ROCK	$22,865	$384	4.5	$370	$23,620
ROOT RIVER	$25,950	$384	12.5	$1,029	$27,363
ROSEAU	$22,287	$384	3.0	$247	$22,918
SCOTT	$23,444	$384	6.0	$494	$24,321
SHERBURNE	$25,102	$384	10.3	$848	$26,333
SIBLEY	$22,403	$384	3.3	$272	$23,058
SOUTH ST. LOUIS	$22,325	$384	3.1	$255	$22,965
STEARNS	$25,487	$384	11.3	$930	$26,801
STEELE	$23,521	$384	6.2	$510	$24,415
STEVENS	$22,711	$384	4.1	$337	$23,432
SWIFT	$22,133	$384	2.6	$214	$22,731
TODD	$23,559	$384	6.3	$518	$24,462
TRAVERSE	$22,672	$384	4.0	$329	$23,386
WABASHA	$23,135	$384	5.2	$428	$23,947
WADENA	$22,248	$384	2.9	$239	$22,871
WASECA	$22,518	$384	3.6	$296	$23,198
WASHINGTON	$24,061	$384	7.6	$625	$25,070
WATONWAN	$21,940	$384	2.1	$173	$22,497
WEST OTTER TAIL	$22,518	$384	3.6	$296	$23,198
WEST POLK	$22,364	$384	3.2	$263	$23,011
WILKIN	$22,788	$384	4.3	$354	$23,526
WINONA	$24,446	$384	8.6	$708	$25,538
WRIGHT	$24,832	$384	9.6	$790	$26,006
YELLOW MEDICINE	$22,788	$384	4.3	$354	$23,526
	$2,086,830	$34,944	425.3	$35,000	$2,156,774

H:03GS



Conservation Grants to SWCDs - FY03

SWCD	CESG-FY03*	MN-CCRPI-03**	TOTAL
Aitkin	$1,250		$1,250
Anoka	$1,250	$1,500	$2,750
Becker	$1,250		$1,250
Beltrami	$1,250		$1,250
Benton	$4,250		$4,250
Big Stone	$4,250		$4,250
Blue Earth	$34,400		$34,400
Brown	$23,500		$23,500
Carlton	$1,000		$1,000
Carver	$4,250		$4,250
Cass	$1,000		$1,000
Chippewa	$34,400		$34,400
Chisago	$1,250	$2,500	$3,750
Clay	$13,000		$13,000
Clearwater	$4,250		$4,250
Cook	$1,000		$1,000
Cottonwood	$23,500		$23,500
Crow Wing	$1,000		$1,000
Dakota	$1,250	$1,500	$2,750
Dodge	$1,250		$1,250
Douglas	$13,000		$13,000
Faribault	$34,400		$34,400
Fillmore	$4,250	$1,000	$5,250
Freeborn	$23,500	$1,000	$24,500
Goodhue	$8,000		$8,000
Grant	$4,250		$4,250
Hennepin	$13,000	$1,500	$14,500
Hubbard	$1,250		$1,250
Isanti	$1,000		$1,000
Itasca	$1,000		$1,000
Jackson	$13,000	$2,000	$15,000
Kanabec	$1,250	$500	$1,750
Kandiyohi	$23,500	$1,500	$25,000
Kittson	$1,250		$1,250
Koochiching	$1,000		$1,000
LacQuiParle	$34,400	$1,000	$35,400
Lake	$1,000		$1,000
Lake/Woods	$1,000		$1,000

* Conservation Easement Service Grants

** MN Continuous Conservation Reserve Program

Conservation Grants to SWCDs - FY03

SWCD	CESG-FY03*	MN-CCRPI-03**	TOTAL
LeSueur	$23,500		**$23,500**
Lincoln	$23,500		**$23,500**
Lyon	$23,500	$1,000	**$24,500**
Mahnomen	$1,000		**$1,000**
Marshall	$4,250		**$4,250**
Marsh-Beltrami	$1,250		**$1,250**
Martin	$34,400		**$34,400**
McLeod	$4,250	$1,000	**$5,250**
Meeker	$13,000		**$13,000**
Mille Lacs	$1,250		**$1,250**
Morrison	$4,250		**$4,250**
Mower	$23,500	$3,500	**$27,000**
Murray	$13,000		**$13,000**
Nicollet	$13,000		**$13,000**
Nobles	$4,250		**$4,250**
Norman	$8,000		**$8,000**
Olmsted	$4,250		**$4,250**
Otter Tail (east)	$4,250	$2,000	**$6,250**
Otter Tail (west)	$8,000	$1,500	**$9,500**
Pennington	$1,250		**$1,250**
Pine	$1,250		**$1,250**
Pipestone	$4,250	$3,500	**$7,750**
Polk (east)	$1,250		**$1,250**
Polk (west)	$1,250		**$1,250**
Pope	$23,500	$3,000	**$26,500**
Red Lake	$1,250		**$1,250**
Redwood	$34,400		**$34,400**
Renville	$34,400	$3,500	**$37,900**
Rice	$8,000	$1,500	**$9,500**
Rock	$4,250	$1,500	**$5,750**
Root River	$4,250	$1,500	**$5,750**
Roseau	$1,000		**$1,000**
St. Louis (north)	$1,000		**$1,000**
St. Louis (south)	$1,000		**$1,000**
Scott	$4,250		**$4,250**
Sherburne	$1,000		**$1,000**
Sibley	$8,000		**$8,000**
Stearns	$8,000	$1,000	**$9,000**

* Conservation Easement Service Grants

** MN Continuous Conservation Reserve Program

Conservation Grants to SWCDs - FY03

SWCD	CESG-FY03*	MN-CCRPI-03**	TOTAL
Steele	$23,500	$1,000	**$24,500**
Stevens	$8,000	$1,500	**$9,500**
Swift	$23,500		**$23,500**
Todd	$1,250		**$1,250**
Traverse	$8,000	$3,500	**$11,500**
Wabasha	$4,250		**$4,250**
Wadena	$1,250		**$1,250**
Waseca	$13,000		**$13,000**
Washington	$1,250		**$1,250**
Watonwan	$23,500		**$23,500**
Wilkin	$13,000	$3,500	**$16,500**
Winona	$4,250		**$4,250**
Wright	$4,250	$1,000	**$5,250**
Yellow Medicine	$34,400	$1,000	**$35,400**
TOTALS	**$857,950.00**	**$50,000**	**$907,950**

* Conservation Easement Service Grants

** MN Continuous Conservation Reserve Program



PROPOSED FY 2003 GRANTS TO SOIL AND WATER CONSERVATION DISTRI

	COST SHARE GRANTS		SERVICE GRANTS		
SWCD	BASE GRANTS	FEEDLOT	GENERAL SERVICES	RIM SERVICES	GRANT TOTALS
AITKIN *	$9,025		$23,417	$1,188	**$33,629**
ANOKA	$13,803		$25,304	$2,750	**$41,857**
BECKER	$40,711		$23,245	$1,250	**$65,206**
BELTRAMI	$12,801		$23,105	$1,250	**$37,156**
BENTON	$15,869		$23,479	$4,250	**$43,598**
BIG STONE	$12,884		$22,075	$4,250	**$39,209**
BLUE EARTH	$31,340		$23,058	$34,400	**$88,798**
BROWN	$20,624		$23,152	$23,500	**$67,276**
CARLTON	$11,000		$22,824	$1,000	**$34,824**
CARVER	$29,202	$54,120	$24,041	$4,250	**$111,613**
CASS	$10,648		$22,356	$1,000	**$34,004**
CHIPPEWA	$16,001		$23,152	$34,400	**$73,553**
CHISAGO	$16,524		$24,087	$3,750	**$44,362**
CLAY	$23,821		$23,526	$13,000	**$60,347**
CLEARWATER	$9,500		$22,918	$4,250	**$36,668**
COOK	$11,000		$22,263	$1,000	**$34,263**
COTTONWOOD	$24,328		$23,152	$23,500	**$70,980**
CROW WING	$10,000		$22,450	$1,000	**$33,450**
DAKOTA	$35,208	$164,187	$25,866	$2,750	**$228,010**
DODGE	$17,513		$23,620	$1,250	**$42,383**
DOUGLAS	$27,713	$15,400	$24,602	$13,000	**$80,715**
EAST OTTER TAIL	$24,809	$50,000	$23,198	$6,250	**$104,257**
EAST POLK *	$12,368		$23,011	$1,250	**$36,629**
FARIBAULT	$21,637		$23,620	$34,400	**$79,657**
FILLMORE	$38,433	$49,500	$24,555	$5,250	**$117,738**
FREEBORN	$26,847		$23,386	$24,500	**$74,732**
GOODHUE	$42,358	$216,500	$24,462	$8,000	**$291,320**
GRANT	$17,174		$23,245	$4,250	**$44,669**
HENNEPIN	$19,072		$33,071	$14,500	**$66,643**
HUBBARD	$9,500		$22,216	$1,250	**$32,966**
ISANTI	$11,304		$24,602	$1,000	**$36,906**
ITASCA	$10,000		$23,011	$1,000	**$34,011**
JACKSON	$20,990		$22,403	$15,000	**$58,393**
KANABEC *	$8,875	$19,637	$22,871	$1,750	**$53,133**
KANDIYOHI	$21,759		$23,807	$25,000	**$70,566**
KITTSON *	$9,500		$22,261	$1,188	**$32,948**
KOOCHICHING	$11,000		$22,590	$1,000	**$34,590**
LAC QUI PARLE	$34,342	$4,400	$22,918	$35,400	**$97,060**
LAKE	$11,000		$22,403	$1,000	**$34,403**
LAKE OF THE WOODS	$11,000		$22,075	$1,000	**$34,075**
LE SUEUR	$28,447		$23,947	$23,500	**$75,895**
LINCOLN	$21,062		$24,275	$23,500	**$68,837**
LYON	$22,473		$23,479	$24,500	**$70,452**
MAHNOMEN	$13,229		$22,169	$1,000	**$36,398**
MARSHALL	$14,421		$22,497	$4,250	**$41,168**

PROPOSED FY 2003 GRANTS TO SOIL AND WATER CONSERVATION DISTRICTS

	COST SHARE GRANTS		SERVICE GRANTS		
SWCD	BASE GRANTS	FEEDLOT	GENERAL SERVICES	RIM SERVICES	GRANT TOTALS
MARSHALL-BELTRAMI	$9,500		$22,824	$1,250	**$33,574**
MARTIN	$33,528		$23,105	$34,400	**$91,033**
MC LEOD	$23,944	$50,000	$22,965	$5,250	**$102,159**
MEEKER	$27,984		$22,684	$13,000	**$63,667**
MILLE LACS	$9,500		$23,058	$1,250	**$33,808**
MORRISON	$34,665		$24,696	$4,250	**$63,611**
MOWER	$15,214		$25,351	$27,000	**$67,565**
MURRAY	$20,337	$12,375	$22,309	$13,000	**$68,021**
NICOLLET	$16,082		$23,479	$13,000	**$52,561**
NOBLES	$32,480		$22,637	$4,250	**$59,367**
NORMAN	$17,948		$23,198	$8,000	**$49,146**
NORTH ST. LOUIS	$9,500		$22,965	$1,000	**$33,465**
OLMSTED *	$49,634		$26,474	$4,250	**$80,358**
PENNINGTON	$16,674		$22,871	$1,250	**$40,795**
PINE	$16,424		$23,198	$1,250	**$40,872**
PIPESTONE	$22,708		$22,824	$7,750	**$53,282**
POPE	$32,284		$22,731	$26,500	**$81,514**
RAMSEY	$14,989		$23,620	$0	**$38,608**
RED LAKE	$9,500		$22,122	$1,250	**$32,872**
REDWOOD	$17,418		$23,620	$34,400	**$75,438**
RENVILLE	$14,594		$23,807	$37,900	**$76,301**
RICE	$23,874	$100,000	$27,878	$9,500	**$161,251**
ROCK	$23,803	$20,625	$23,620	$5,750	**$73,797**
ROOT RIVER	$31,104	$101,314	$27,363	$5,750	**$165,531**
ROSEAU	$16,717		$22,918	$1,000	**$40,634**
SCOTT	$28,366	$40,500	$24,321	$4,250	**$97,437**
SHERBURNE	$10,000		$26,333	$1,000	**$37,333**
SIBLEY	$16,825		$23,058	$8,000	**$47,883**
SOUTH ST. LOUIS	$10,908		$22,965	$1,000	**$34,873**
STEARNS	$63,834	$50,000	$26,801	$9,000	**$149,635**
STEELE	$15,874	$50,000	$24,415	$24,500	**$114,789**
STEVENS	$28,604		$23,432	$9,500	**$61,536**
SWIFT *	$14,215		$22,731	$23,500	**$60,445**
TODD	$26,057		$24,462	$1,250	**$51,769**
TRAVERSE	$10,044		$23,386	$11,500	**$44,930**
WABASHA	$28,775	$319,300	$23,947	$4,250	**$376,273**
WADENA	$11,000		$22,871	$1,250	**$35,121**
WASECA	$15,768		$23,198	$13,000	**$51,966**
WASHINGTON	$19,081		$25,070	$1,250	**$45,402**
WATONWAN	$13,114	$116,325	$22,497	$23,500	**$175,435**
WEST OTTER TAIL	$33,159	$43,450	$23,198	$9,500	**$109,308**
WEST POLK *	$21,910		$21,861	$1,188	**$44,958**
WILKIN	$17,140		$23,526	$16,500	**$57,166**
WINONA	$21,729	$364,375	$25,538	$4,250	**$415,892**
WRIGHT	$23,565	$58,250	$26,006	$5,250	**$113,071**

PROPOSED FY 2003 GRANTS TO SOIL AND WATER CONSERVATION DISTRICTS

	COST SHARE GRANTS		SERVICE GRANTS		
SWCD	BASE GRANTS	FEEDLOT	GENERAL SERVICES	RIM SERVICES	GRANT TOTALS
YELLOW MEDICINE	$24,926		$23,526	$35,400	**$83,852**
ALLOCATED TOTALS	**$1,856,414**	**$1,900,258**	**$2,153,219**	**$907,763**	**$6,817,654**

*NOTES:

OLMSTED - COST SHARE BASE GRANT PENALIZED $3,618 FOR COST SHARE PROGRAM VIOLATION.
KITTSON - 5% COST SHARE BASE, GENERAL SERVICES, AND RIM SERVICES PENALTY FOR LATE ANNUAL PLAN.
EAST POLK - COST SHARE BASE GRANT PENALIZED $2,914 FOR COST SHARE PROGRAM VIOLATION.
SWIFT - $700 COST SHARE BASE GRANT ONE-TIME ADDITION FOR OVERPAYMENT OF SLIPPAGE.
KANABEC - COST SHARE BASE GRANT PENALIZED $2,125 FOR COST SHARE PROGRAM VIOLATION.
WEST POLK - 5% COST SHARE BASE, GENERAL SERVICES, AND RIM SERVICES PENALTY FOR LATE ANNUAL REPORT
AITKIN - 5% COST SHARE BASE, GENERAL SERVICES, AND RIM SERVICES PENALTY FOR LATE ANNUAL REPORT.

H:FY03SWCD

New Business

5. Feedlot Cost-Share Policy
   DECISION

Existing and Proposed State Cost Share Feedlot Policy, Including Relocations and Roof Structures

Background

Over the years, the feedlot industry has become more innovative and complex in dealing with pollution abatement. Cost Share policy has *usually* been developed as needed.

Feedlot roofs that minimize or eliminate feedlot runoff, in certain situations, have and should be considered viable alternatives. State Cost Share funds may be used for feedlot roofs and are becoming more popular with producers. To "guide" the use of roofs, the Executive Director issued interim policy last August.

In other feedlot pollution abatement situations, relocating a feedlot to a different site may be more cost effective than installing a pollution abatement system on the existing site.

Issue

Current State Cost Share Program policy does not adequately address all current feedlot cost share issues, including those associated with roofs and relocating feedlots. On some issues, staff has found the policy "silent". Over the years, Animal Waste Cost Share specifications have been developed on an "as-needed" basis and needs to be collected and clarified.

The Cost Share Committee directed staff to collect, examine, and clarify current feedlot cost share policy, and develop revised Animal Waste Cost Share specifications to include relocation and roof situations, to reflect current BWSR policy, for FY 03.

Recommendation

The Cost Share Committee recommends that the Existing and Proposed State Feedlot Cost Share Policies document be adopted by BWSR for FY 03. This document will be incorporated into the Cost Share Handbook revision project.

H:FPU

EXISTING AND PROPOSED STATE FEEDLOT COST-SHARE POLICIES
6-12-02, Al Kean

Note: Policies that already exist in Statute, Rule or Administrative Guidelines are included here for a complete listing of state feedlot cost-share policies. Proposed policies would document and clarify existing policies, including consistency with Feedlot Rule language and substantial consistency with "current" EQIP policies (i.e. prior to changes that will result from new Farm Bill, which was signed May 13, 2002, and for which new rules are to be out by August 13, 2002).

General Policies	Policy Location	Existing Policy or Rationale for Proposed Policy
1) Cost-sharing is limited to correction of existing pollution problems.	Rule – 8400.1300 B. and Administrative Guidelines	Existing State Cost-Share Program policy. Current EQIP policy allows cost-sharing for up to a 25% expansion (of animal units) when solving an existing pollution problem.
2) A feedlot that has been in operation for at least 5 years is considered to be an "existing" feedlot.	Proposed new Administrative Guideline	Consistent with Feedlot Rule definition of "new animal feedlot" and with current MN NRCS EQIP policies.
3) Cost-sharing is limited to feedlots with less than 500 animal units.	Board policy and legislative intent for designated feedlot cost-share	Existing policy. Propose to incorporate into updated Administrative Guidelines. Current EQIP limit is less than 1,000 animal units.
4) Feedlot pollution abatement projects must acquire all applicable permits (including compliance with the state Feedlot Rule) to be eligible for cost-share.	Rule – 8400.1350, D. 2)	Existing program policy.
5) Partial systems that correct only a portion of an existing feedlot pollution problem are eligible for cost-share only if implemented in accordance with the Open Lot Agreement provisions of the Feedlot Rule.	Proposed new Administrative Guideline	This would update previous Board policy to be consistent with the current Feedlot Rule.
6) The maximum cost-share rate is 75% for eligible practices.	Rule – 8400.0900, Sub.2	Existing program policy.
7) The maximum cost-share amount is limited to the amount authorized by the district board for the most feasible and practical alternative that achieves the cost-share program objectives, not to exceed $50,000 per feedlot project. This cost-share limit shall apply to the total cost-share for interim and final measures implemented in accordance with an approved Open Lot Agreement under the Feedlot Rule.	Proposed integration and update of Board policy in Administrative Guidelines	Existing Board policy regarding the maximum cost-share amount per feedlot project would be clarified and incorporated into Administrative Guidelines. District board authority to limit cost-share to the most feasible and practical alternative would be clarified.

8) Cost-sharing is authorized for eligible runoff control, waste storage and treatment practices for a feedlot project, and associated transfer components for manure and process wastewaters, including milkhouse wastewater and silage leachate.	Proposed new Administrative Guideline	Clarify Administrative Guidelines using language consistent with the Feedlot Rule (i.e. process wastewater, including milkhouse waste and silage leachate). Note that this does not include waste collection, such as barn cleaners.
9) Cost-sharing is not authorized for production facilities or equipment including, but not limited to, buildings, feed storage, feeding facilities and equipment, or manure application equipment, except that cost-sharing is authorized for waste storage structures that serve as foundations for buildings, up to the eligible cost-share for a functionally comparable waste storage structure that does not serve as a foundation for a building.	Current Administrative Guidelines address part of this.	Clarify existing prohibition of cost-share for production facilities or equipment in Administrative Guidelines. Add definition of limited eligibility for waste storage structures that serve as foundations for buildings, consistent with current EQIP policies.
10) Cost-sharing is not authorized for manure or process wastewater collection facilities, except for the inlet of eligible systems to transfer manure or process wastewater to storage or treatment facilities.	Proposed new Administrative Guideline	Clarify that manure or process wastewater collection facilities are not eligible. This is consistent with current EQIP implementation. However, this is not completely clear in current MN NRCS EQIP policies.
11) Innovative waste management systems that are not clearly eligible for cost-share, or design standard variances, can be considered by submitting a written request to the BWSR Grants Coordinator.	Clarification of current Administrative Guidelines	Reflects discussion by Cost-Share Committee to encourage innovative systems with multiple benefits.
Feedlot Relocation Policies (in addition to General Policies)	**Policy Location**	**Rationale for Proposed Policy or Update**
1) Cost-sharing at a feedlot relocation site is limited to: a) the maximum cost-share amount approved to upgrade the existing eligible feedlot site; b) eligible practices and components of the most feasible and practical waste management system at the relocation site, as determined by the district board, with applicable assistance from its technical advisors.	BWSR policy authorized cost-share for feedlot relocation some time ago. Proposed new Administrative Guideline	Clarification of existing Board policy to cost-share feedlot relocation. Consistent with current EQIP policies and unwritten BWSR advice to SWCDs. NRCS coordinated with BWSR staff for comment when developing most of its feedlot relocation and roof structure EQIP policies.
2) The existing eligible feedlot must be permanently closed in accordance with the state Feedlot Rule and, thereafter, is no longer eligible for feedlot cost-share.	Proposed new Administrative Guideline	Consistent with Board intent to cost-share for permanent feedlot relocation, and current EQIP policies.

3) Cost-sharing is authorized for closure of the existing feedlot in accordance with the Feedlot Rule, including fence removal, waste storage facility closure and seeding, but is not authorized for removal or land application of manure from an open lot or waste storage facility.	Proposed new Administrative Guideline	Clarifies cost-share eligible practices associated with feedlot relocation. Consistent with Feedlot Rule and current EQIP policies.
4) Feedlot relocation and associated closure of an existing feedlot shall be considered one feedlot project for application of limitations on the cost-share amount.	Proposed new Administrative Guideline	Clarification of cost-share limit for feedlot relocation project.
Feedlot Roof Structure Policies (in addition to General Policies)	**Policy Location**	**Rationale for Proposed Policy or Update**
1) A feedlot roof to eliminate precipitation on a feedlot, and associated runoff, is eligible for cost-share only when a documented alternatives analysis shows this to be part of the most feasible and practical alternative that meets applicable Feedlot Rule requirements, including manure storage, land application and feedlot runoff requirements, or when the amount of cost-share approved by the district board for the feedlot project is based on the estimated costs for the most feasible and practical alternative. The documented alternatives analysis must be kept in the district file for the feedlot project.	Proposed new Administrative Guideline	Update / modify interim BWSR guidance provided to SWCDs dated August 20, 2001. This proposed policy would allow cost-share for a feedlot roof structure if a documented alternatives analysis identifies a roof structure as part of the most feasible and practical alternative that meets the Feedlot Rule, or the cost-share amount is based on the estimated cost for the most feasible and practical alternative (i.e. the feedlot owner pays the difference, if a more costly alternative is selected). Compatible with current EQIP policies.
2) Cost-sharing is authorized only when one of the following two conditions is met: a) The roof structure design and construction is approved by a registered professional engineer as meeting the design requirements of ASAE EP288.5, Agricultural Building Snow and Wind Loads. b) The roof structure design is approved by a registered professional engineer as meeting the design requirements of ASAE EP288.5, Agricultural Building Snow and Wind Loads and construction is performed by a crew representing the manufacturer of the roof structure. The manufacturer shall provide a 10-year, or longer, warranty on labor and materials for the roof structure.	Proposed new Administrative Guideline	Consistent with current EQIP policies, which reference an existing applicable design standard.

3) Cost-sharing is not authorized when the roof structure is to be a component of a planned waste management system that will also include a waste storage or treatment facility, unless drainage conditions make routing of the feedlot runoff to the waste storage or treatment facility impractical, as determined by the district board, with applicable assistance from its technical advisors.	Proposed new Administrative Guideline	Consistent with current EQIP policies. NRCS looks to its Area Engineers for determination of what's practical. This policy would look to SWCD boards, with assistance from their technical advisors, including NPEA engineers and BWSR.
4) Cost-sharing is not authorized for surfaced floors or walls, but is authorized for a 1-foot high curb for clean water diversion, if needed.	Proposed new Administrative Guideline	Consistent with current EQIP policies. A roof structure is considered an open lot runoff reduction practice (i.e. clean water diversion), not a manure storage practice. Although arguments have been made to allow cost-share for walls to reduce rain and snow blowing into the roofed area, not cost-sharing on walls draws a line to be consistent with BWSR (and current EQIP) policy to not cost-share on production facilities, including "buildings". However, this policy would not preclude the producer from adding side walls, as do the BWSR interim policies dated 8-20-01.

New Business

6. Public Hearing on Petition for a Boundary Change for Browns Creek and Valley Branch Watershed Districts
   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 Brown's Creek Watershed District and the Valley Branch Watershed District in Washington County pursuant to Minnesota Statutes § 103D.251

ORDER BOUNDARY CHANGE HEARING

Whereas, the Brown's Creek Watershed District and the Valley Branch Watershed District filed a joint Petition dated March 28 and April 8, 2002 with the Board of Water and Soil Resources (Board) on May 22, 2002, to change the boundary of the Brown's Creek Watershed District and the Valley Branch Watershed District pursuant to Minn. Stat. § 103D.251, and;

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

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

FINDINGS OF FACT

1. **Petition.** The Petition to change the boundary of the Brown's Creek Watershed District (BCWD) and the Valley Branch Watershed District (VBWD) was signed by the BCWD Board of Managers President on March 28, 2002 and the VBWD Board of Managers President on April 8, 2002. The BCWD Board of Managers passed Resolution No. 02-01 on March 25, 2002 concurring in the filing of the joint boundary change Petition. The Petition was filed with the Board on May 22, 2002.

2. **Property Description.** The territory included in the boundary change, the Petitioned Area, is located in Washington County entirely within the metropolitan area and totals approximately 310.77 acres of which approximately 161.51 acres are being transferred from the BCWD to the VBWD and approximately 149.26 acres are being transferred from the VBWD to the BCWD. The Petitioned Area includes land in the Cities of Grant, Lake Elmo and Oak Park Heights. The Petitioned Area is depicted on a map attached to the Petition as Exhibit 1 and further identified in a listing of the parcel identification numbers (PID, or Geocode) in Exhibit 2 of the Petition.

3. **Reasons for Boundary Change.** The Petition lists the following (See Exhibit A):

A. At the time the boundary was established, the topography in the area of the common hydrologic boundary was mapped only in 10-foot contours. Two-foot contour mapping is now available for the entire area along the hydrologic boundary. This allows for the hydrologic boundary to be located now with substantially greater accuracy than it was at the time the jurisdictional boundary was established.

B. Oftentimes watershed jurisdictional boundaries have been set to follow property lines which diverge from the hydrological boundary. At the time the boundary was established, much of the petitioned area was unplatted and the watershed boundary deviated substantially from the hydrologic boundary in a number of locations to avoid splitting individual land parcels. Extensive subdivision since then has occurred and in the Petitioned Area it is now possible to follow the hydrologic boundary much more closely without splitting parcels.

4. **Hearing Notice.** Minn. Stat. § 103D.251, Subd. 6 requires a notice of hearing be published. Notice will be published in the Lillie Suburban Newspaper the Oakdale-Lake Elmo Review and in the Stillwater Evening Gazette.

5. **Public Hearing.** The pertinent parties have been coordinated with such that a public hearing should be held on Thursday, July 18, 2002, beginning at 7:00 PM in Room 560 at the Washington County Government Center, 14949 North 62nd Street, Stillwater, Minnesota. The Metropolitan Water Planning Subcommittee should preside over the hearing.

CONCLUSIONS

1. The Petition for boundary change of the Brown's Creek Watershed District and the Lower St. Croix Valley Watershed District is valid in accordance with Minn. Stat. § 103D.251.

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 public hearing.

ORDER

1. The Board hereby orders that the a public hearing on the Petition to change the boundary of the Brown's Creek Watershed District and the Valley Branch Watershed District be held on Thursday, July 18, 2002, beginning at 7:00 PM in Room 560 at the Washington County Government Center, 14949 North 62nd Street, Stillwater, Minnesota, presided over by the Metropolitan Water Planning Subcommittee.

Dated this 26th day of June, 2002.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: _____
Leland G. Coe, Chair

New Business

7. Delegation of Authority for Watershed District Hearings DECISION

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

In the Matter of the Delegation of authority to the Executive Director in the ordering of public hearings for watershed district petitions

ORDER DELEGATION AUTHORITY TO EXECUTIVE DIRECTOR

Whereas, due to timing issues with the publication of legal notices and certain other administrative efficiencies, it is desirable for the Executive Director to have the authority to set public hearings related to petitions received under Minn. Stat. §§ 103D.205, 103D.251, 103D.255, 103D.261, 103D.265, 103D.271, 103D.301, and 103D.305 relating to watershed district establishment, boundary change, withdrawal, enlargement, consolidation, termination, manager distribution and increase number of managers.

Now Therefore, the Board hereby makes the following Order.

ORDER

The Board hereby delegates to its Executive Director the authority to set public hearings for petitions received under Minn. Stat. §§ 103D.205, 103D.251, 103D.255, 103D.261, 103D.265, 103D.271, 103D.301, and 103D.305.

Dated at Saint Paul, Minnesota this _____th day of June, 2002.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: _____
Leland G. Coe, Chair

Committee of the Whole:
Funding for Water Resources and
Conservation Programs

Funding for water resources and conservation programs is and will continue to be a significant barrier to the implementation and adoption of best management practices that enhance, restore and preserve the quality of Minnesota's water and related land resources. Minnesota's lakes, rivers, streams, wetlands, and groundwater provide the foundation for our quality of life that draws people to Minnesota to make it their home and to the millions of tourists that come to enjoy Minnesota's vast natural resources. This continuing growth of population and tourism puts a significant pressure on the resources. If we are to sustain the growth and the tourism that contributes to the economic wealth of the state we need to sustain a strong commitment to the efforts that keep the water resources worth coming to and of value to use.

Therefore, we need to continue to challenge the system of paying for the management of these resources by state and local governments. In some cases the laws provide for the funding of programs through fees, while other programs are solely dependant on general fund appropriations every other year. When finances are strained it's frequently the water resources programs that are impacted. How do we, looking to the future, put in place a more sustainable capacity for state and local governments to manage our water resources for future generations to enjoy and for the state to maintain the related economic value?

The agencies have been looking at options that could provide some longer-term financial capacity for water resources. During the afternoon session we will begin some discussions of various options that have risen in one manner or another and see what the board feels about strengths and weaknesses of the options.

The background will be in the context of, one PCA's audit report which identifies a number of ideas for consideration and second, some options developed through brainstorming with the BWSR staff. I ask that each of the board members look on the PCA web site http://www.auditor.leg.state.mn.us/ped/2002/pe0202.htm (MPCA funding) and http://www.auditor.leg.state.mn.us/ped/2002/pe0203.htm (water quality permitting and compliance monitoring) for the audit options presented and I'll give a paragraph discussion on some of the options that have been tossed around with BWSR staff.

1) Wetland Banking application and credit transfer fees. Currently BWSR manages the public and private wetland banking system with only state $'s. There are no application fees and there are not credit transfer fees when governments or landowners purchase from others and BWSR has to account for the purchases, deposits and debits. Just like checking accounts are not "free" neither should the wetland banking system. We have not done enough detail on how much could be or should be raised at this point, however, we do believe that the fees should cover the private wetland banking side of the system.

2) Land transfer fee or deed tax. As land is transferred statewide establish a fee each time the transfer or change in the deed is filed. As the land goes so goes the water therefore, a statewide fee on the transfer or change to the deed seems appropriate. One half the proceeds could stay with the county and the other half to the state for water resources programs. We are looking at what $5, $10 & $15 fee would raise.

3) Increase in the water use fees. This is currently in place for some but not all water users through the DNR appropriations permits system. The fee could be raised, could be expanded to exempt users.

4) Impact fees related to agricultural and urban land use. The fee could be structured around the soil loss rate (T) for agr land and around the % of impervious land for urban areas. Both of these factors have a significant impact on the quality and quantity of surface and ground waters and therefore would be a means of securing resources. Again it could be set up for the local government to keep half the revenues and the state to have half. Landowners and developers may have an incentive to improve conservation on the land to get to 2T and to implement practices that reduce impervious surfaces as part of development strategies.

5) OTHER thoughts.

These are by no means exhaustive options or ones that should be endorsed. At this point in time they are laid out for us to talk about and see what might have legs. As we move towards development and finalization of the biennial budgets we will be revisiting some these options for consideration by the administration in the budget process.

Minnesota Pollution Control Agency

Citizen and Stakeholder Research to Develop Funding Options for MPCA Environmental Programs

May 2002

When complete, the results of this citizen and stakeholder research will be available on the MPCA Web site at www.pca.state.mn.us.

Critical to the MPCA's success in the next Legislative session will be continuing efforts to engage citizens, stakeholders and the Legislature in a constructive discussion about future funding for the agency's environmental protection programs. The recent audits completed by the Office of Legislative Auditor (OLA) provide an excellent framework around which to discuss the next biennial budget for the MPCA. The funding audit in particular will be a good starting point for discussions to identify adequate, long-term, stable resources to assure the MPCA can accomplish its environmental mission.

This year's activities to gather input on Fiscal Year 2004-2005 MPCA budget priorities build on lessons learned in past efforts. It involves a three-step process that will reach out to Minnesota citizens, stakeholders and legislators.

1. Telephone survey of Minnesota citizens

In June, the MPCA will gather input from citizens through a random telephone survey conducted by St. Cloud State University. The survey questions will focus primarily on issues identified in the OLA audits. It will assess public attitudes on the quality and type of environmental protection programs now being provided, how programs could be funded and willingness to pay for those environmental protection programs.

The survey will consist of 30 questions and about 1,500 citizens will be surveyed. This will provide a statistically relevant sample from which to draw conclusions

2. E-mail survey of stakeholders

Also in June, the MPCA will conduct an e-mail survey of stakeholder groups using the same questions contained in the citizen opinion survey. This will be designed to reach the organizational leaders in the agricultural/business, local government, and conservation /environmental/non-governmental organization sectors. The MPCA hopes to e-mail the survey to about 1,000 stakeholders.

3. Stakeholder working group

In July and August, in conjunction with the chairs of the House and Senate Environment Policy and Finance Committees, a working group of approximately 15 stakeholders from the above mentioned sectors will be chosen to participate in a process to determine potential solutions to MPCA funding issues.

Working group meetings will begin in July and conclude in early August, before the beginning of the executive budget decision-making process.

Projected outcomes of the effort

The MPCA intends to use the information from these three efforts to craft legislative proposals on funding options. Since key stakeholders should develop a common understanding about the MPCA's FY04-05 budget structure and outlook, and will have been involved in the process to determine possible solutions, it is hoped they will have a better understanding of MPCA funding options.

For more information

For more information about the MPCA's citizen and stakeholder research efforts, please contact Nelson French at (651) 296-7002 (nelson.french@pca.state.mn.us) or Sherryl Livingston at (651) 296-7832 (sherryl.livingston@pca.state.mn.us).

FOR YOUR INFORMATION

June 26, 2002

- BWSR "Update"
- Information provided by Lisa Thorvig, PCA
  - 2000 Urbanized Area list
  - Fact Sheet for the National Pollutant Discharge Elimination System/State Disposal System (MPDES/SDS)
- Wetland Conservation Act Decisions
- Minnesota State Agency Profiles
- 2001 SWCD Financial Statement Summaries
- *NACD News & Views* – Article on page 4-5, *The New Farm Bill – A Giant Step for Conservation*

Minnesota Board of Water & Soil Resources

Board of Water and Soil Resources
U·P·D·A·T·E

A publication of the Minnesota Board of Water and Soil Resources June 2002

NORTH

Watershed Specialist:
Brian Dwight has spent the majority of his time working with the Bois de Sioux Watershed District (WD), Roseau WD, Two Rivers WD, and the Wild Rice WD on their long-range planning efforts.

The Bois de Sioux WD, Roseau WD, and the Two Rivers WD have finished up the issue identification process for flood damages reduction (FDR) and natural resource (NRE) issues. The process had major public involvement and took longer than anticipated. However, all involved feel that it was time very well spent.

Brian has met with the new administrator of Red Lake WD to discuss project team specifics as well as to strategize SD-83 issues.

Brian has been in the early stages of discussion with Ron Harnack and Jody (the FDR facilitator) to develop a leadership course for WD managers and county commissioners. Watershed management, functioning as a board, and communication are some topics being discussed for the course.

Forestry
Jim Lemmerman is working with a group that will be known as the Minnesota Soil and Water Conservation District Forestry Association. This began with some of the northeast SWCDs, but now includes SWCDs from most of the state. They have put together a mission statement and a list of goals and action items.

Jim participated in a living snow fence training put on by MnDOT for their highway engineers. Dr. Mark Seeley's presentation included data on 371 sites around the state, wind direction, speed, and snowfall amounts. A web site has been put together with the data and a Living Snow Fence Guidebook (www.climate.umn.edu/snow_fence).

Jim participated in an erosion control project on the North Shore with Gene Clark. Hybrid poplar was planted on two sites to see if they would help to remove unwanted water from the soil.
-Submitted by Ron Shelito

SOUTH

CREP continues to be a focal point for counties and field staff in the Minnesota River basin. We were able to realize the 100,000-acre goal on paper back in February, but efforts are still underway to bring these applications to reality. It is fortunate that we were able to initiate the wrap up of the program early, as we will be using all available days leading up to the Sept. 30 deadline.

Local offices and BWSR have done a tremendous job processing the CRP and RIM paperwork. At any given time there are more than 50 projects going in some counties, all in different stages of the process. As we get a good handle on the influx of paperwork to simply secure the acres under contract and easement, efforts are shifting more toward implementation on the ground. This year will be a good year for conservation practices to be applied. We'll make a dent in the wetland restoration workload as well as vegetative practices. Next year will be another big year for practices as many of the CREP contracts are scheduled to start this fall after crops are removed.

It is important that we make significant progress this calendar year as our BWSR CREP staff, located in field offices, will come to a close at the end of this year. We will maintain many of the SWCD CREP technicians under shared funding between BWSR and the SWCD until December 2003.

We are looking forward to celebrating this milestone in conservation on June 25th in Mankato. See you there!
-Submitted by Tabor Hoek

ENGINEERING

Red River Basin Technical and Scientific Advisory Committee (TSAC) – This committee was established during development of the Red River Basin Mediation Agreement by the Flood Damage Reduction Work Group. Members include engineers, biologists, ecologists, hydrologists, and water quality people from private consulting firms, state and federal agencies, and nonprofit environmental organizations. Greg Larson was BWSR's first representative, and Al Kean is our current representative.

During and after development of the mediation agreement, the TSAC prepared a number of papers addressing technical and scientific issues for which better understanding and consensus was needed to develop and implement the mediation agreement. The TSAC has operated as a think tank of technical experts who use the best available information and knowledge to achieve consensus about cause and affect regarding structural and nonstructural measures for flood damage reduction (FDR) and natural resource enhancement (NRE).

Topics addressed early on by the TSAC included use of wetland restorations for runoff management and natural resource enhancement, use of agricultural best management practices for runoff management, siting of impoundments for flood control, stream restoration for flood control, watershed modeling and flood frequency analysis, and integration of FDR and NRE in the Red River Basin. In 2001, Cheryl Miller, National Audubon Society, worked with the TSAC to complete a report about natural resource enhancement priorities, programs, and efforts in the Red River Basin. The TSAC also produced a paper in 2001 regarding a project monitoring program for the Red River Basin.

Current TSAC tasks include completion of a multi-year field study to examine the effects of water level bounce on the ecological benefits of wetlands (i.e. wetland bounce study). As is often the case with monitoring and research, the data isn't as easy to interpret as we'd like. The study report is scheduled to be complete by this coming fall.

Another current TSAC task is development of a basin FDR strategy, which is intended to help define what types of FDR measures work best where in the basin to achieve flood damage reduction both locally and on the mainstem of the Red River. This paper is intended to be a companion to the natural resource enhancement report mentioned above.

The FDR Work Group recently asked the TSAC to prepare a scope of study to further examine "on-channel" floodwater storage issues and options. This is an important flood damage reduction measure that has many issues related to potential impacts on aquatic and biologic habitats. Better understanding and agreement is needed regarding where and how to use this type of flood damage reduction project.

Lakeshore Engineering Assistance – As indicated last month, due to budget cuts and workloads, we're transitioning the majority of the focus for Gene Clark, lakeshore engineer, to CREP wetland restoration work in FY 03. However, we're also pursuing future funding options and partnerships to maintain our "coastal engineering" expertise and capacity to assist SWCDs and landowners with lakeshore BMP implementation, particularly in the Lake Superior basin. One such effort is BWSR's LCMR proposal to seek funding for moving waste rock from the Iron Range to the North Shore of Lake Superior for use in shoreline stabilization and construction of breakwaters for safe harbors. This proposal includes funding for engineering to implement several high priority shoreline stabilization projects. BWSR is partnering with the DNR on this proposal to achieve economies of scale. This was one of 99 LCMR proposals given a hearing in June and early July for further consideration. However, the funding is limited and competition substantial.

BWSR and South St. Louis SWCD staff, as well as some volunteers and a contractor, recently completed construction of a demonstration project using trees, erosion control blankets, and hydro-mulch for stabilization of a tall clay bank on the North Shore. This project was funded by a grant from the Great Lakes Commission. The objective is to reestablish vegetation above an armor stone revetment that we previously helped construct to control erosion and sedimentation. This is another good local-state-federal partnership for erosion and sedimentation reduction to protect Lake Superior water quality and fishery habitat.

- Submitted by Al Kean

L & WS

Update of Local Water Management Integration Project

On May 22, the Board approved the guiding principles for the Local Water Management Integration Project. From these principles, land and water staff members have drafted a list of five essential elements (below) that will serve as the basis for gathering input on ways to develop more influential local water management statutes and board policy/guidance. In future installments about this project, we'll share information on potential language for statute integration.

-Submitted by Phil Belfiori

Local Water Management Integration Essential Elements

Essential Element	*General Direction*	*Expectation*
Involve and educate	Engage citizens, communities, and governments at all levels and other leaders in planning to manage water resources.	Invitation to all local/regional/state partners to collectively develop issues, goals, and solutions.
Building blocks for plan	Look at the resource conditions; set priority issues; develop strategies; identify actions.	Inventory, assessment, goals, and policies.
Collectively execute	Identify and clarify strategic relationships between partners to achieve and leverage long-term conservation results.	Guidance and incentives for greater degree of inter-government and private sector coordination.
Fiscal capacity	Align local funding tools and state program financial incentives.	General and special tax funds, local fees, and outside grants /incentives.
Ensuring success	At all levels, gather data and measure success of the actions. Analyze and report efficacy collaboratively and regularly.	Five or ten year update with annual or biennial report.

◆◆◆

Natural Resources Block Grant (NRBG) Work Group team members Mary Kells, Rochester; Wayne Zellmer, Central; Sara Johnson, New Ulm; Pete Waller, Fergus Falls; Doug Snyder, Metro; and Michelle Lewis, Central are the recipients of the 2001 BWSR Retooling Award.

This award goes to an effort in the agency that has resulted in significant modifications and improvements to an existing program. The work they accomplished as an ad hoc team driven largely through self-initiative has proven already to be successful in that the most recent Natural Resources Block Grant Application yielded many more comments about better communication and process than we've ever had in the past. Their efforts to streamline the application, review, execution, and reporting aspects of grants management are clearly an example of teamwork at its finest and have already paid dividends both to clientele and to agency staff.

-Submitted by John Jaschke

Deadline for next edition: July 17

Information provided by Lisa Thorvig, MPCA

Note: The 2000 Urbanized Area list is a complete list of entities requiring permit coverage. Cities listed in the 1990 list and not on the 2000 list still require a permit under federal rule. Also, the MPCA is required to develop a criteria for designating additional cities not in urbanized areas.

The Fact Sheet is on the storm water web site and the 2000 list should be on there this week.

Discretionary MS4 Criteria

Community Name	County Name	2000 Population	Within UA
Andover	Anoka	26,588	Partially
Anoka	Anoka	18,076	Wholly
Apple Valley	Dakota	45,527	Partially
Arden Hills	Ramsey	9,652	Wholly
Birchwood Village	Washington	968	Wholly
Blaine	Anoka	44,942	Partially
Blaine	Ramsey	0	Wholly
Bloomington	Hennepin	85,172	Wholly
Brockway Township	Stearns	2,551	Partially
Brooklyn Center	Hennepin	29,172	Wholly
Brooklyn Park	Hennepin	67,388	Wholly
Burns Township	Anoka	3,557	Partially
Burnsville	Dakota	60,220	Partially
Carver	Carver	1,266	Partially
Cascade Township	Olmsted	3,183	Partially
Centerville	Anoka	3,202	Partially
Champlin	Hennepin	22,193	Wholly
Chanhassen	Carver	20,321	Partially
Chaska	Carver	17,449	Partially
Chaska Township	Carver	154	Partially
Circle Pines	Anoka	4,663	Wholly
Columbia Heights	Anoka	18,520	Wholly
Coon Rapids	Anoka	61,607	Wholly
Corcoran	Hennepin	5,630	Partially
Cottage Grove	Washington	30,582	Partially
Credit River Township	Scott	3,895	Partially
Crystal	Hennepin	22,698	Wholly
Dayton	Hennepin	4,686	Partially
Deephaven	Hennepin	3,853	Wholly
Dellwood	Washington	1,033	Partially
Dilworth	Clay	3,001	Partially
Dresbach Township	Winona	413	Partially
Duluth	St. Louis	86,918	Partially
Duluth Township	St. Louis	1,723	Partially
Eagan	Dakota	63,557	Wholly
East Bethel	Anoka	10,941	Partially
East Grand Forks	Polk	7,501	Partially
Eden Prairie	Hennepin	54,901	Wholly
Edina	Hennepin	47,425	Wholly
Elk River	Sherburne	16,447	Partially
Empire Township	Dakota	1,638	Partially
Excelsior	Hennepin	2,393	Wholly
Falcon Heights	Ramsey	5,572	Wholly
Farmington	Dakota	12,365	Partially
Fort Snelling Unorganized	Hennepin	442	Wholly
Fridley	Anoka	27,449	Wholly
Gem Lake	Ramsey	419	Wholly
Golden Valley	Hennepin	20,281	Wholly
Grant	Washington	4,026	Partially
Greenwood	Hennepin	729	Wholly
Ham Lake	Anoka	12,710	Partially
Haven Township	Sherburne	2,024	Partially
Haverhill Township	Olmsted	1,601	Partially
Hermantown Township	St. Louis	7,448	Partially
Hilltop	Anoka	766	Wholly
Hopkins	Hennepin	17,145	Wholly
Hugo	Washington	6,363	Partially
Independence	Hennepin	3,236	Partially

Discretionary MS4 Criteria

Community Name	County Name	2000 Population	Within UA
Inver Grove Heights	Dakota	29,751	Partially
Jackson Township	Scott	1,361	Partially
La Crescent	Houston	4,923	Partially
La Crescent Township	Houston	1,487	Partially
Lake Elmo	Washington	6,863	Partially
Laketown Township	Carver	2,331	Partially
Lakeville	Dakota	43,128	Partially
Landfall	Washington	700	Wholly
Lauderdale	Ramsey	2,364	Wholly
Le Sauk Township	Stearns	1,880	Partially
Lexington	Anoka	2,214	Wholly
Lilydale	Dakota	552	Wholly
Lino Lakes	Anoka	16,791	Partially
Little Canada	Ramsey	9,771	Wholly
Long Lake	Hennepin	1,842	Partially
Louisville Township	Scott	1,359	Partially
Mahtomedi	Washington	7,563	Wholly
Maple Grove	Hennepin	50,365	Partially
Maple Plain	Hennepin	2,088	Partially
Maplewood	Ramsey	34,947	Wholly
Marion Township	Olmsted	6,159	Partially
Medicine Lake	Hennepin	368	Partially
Medina	Hennepin	4,005	Partially
Mendota	Dakota	197	Wholly
Mendota Heights	Dakota	11,434	Wholly
Midway Township	St. Louis	1,479	Partially
Minden Township	Benton	1,790	Partially
Minneapolis	Hennepin	382,618	Wholly
Minnetonka	Hennepin	51,301	Wholly
Minnetonka Beach	Hennepin	614	Wholly
Minnetrista	Hennepin	4,358	Partially
Moorhead	Clay	32,177	Partially
Moorhead Township	Clay	442	Partially
Mound	Hennepin	9,435	Partially
Mounds View	Ramsey	12,738	Wholly
New Brighton	Ramsey	22,206	Wholly
New Hope	Hennepin	20,873	Wholly
Newport	Washington	3,715	Wholly
North Oaks	Ramsey	3,883	Partially
North St. Paul	Ramsey	11,929	Wholly
Oak Grove	Anoka	6,903	Partially
Oakdale	Washington	26,653	Wholly
Oakport Township	Clay	1,689	Partially
Orono	Hennepin	7,538	Partially
Osseo	Hennepin	2,434	Wholly
Pine Springs	Washington	421	Wholly
Plymouth	Hennepin	65,894	Partially
Prior Lake	Scott	15,917	Partially
Proctor	St. Louis	2,852	Partially
Ramsey	Anoka	18,510	Partially
Rice Lake Township	St. Louis	4,139	Partially
Richfield	Hennepin	34,439	Wholly
Robbinsdale	Hennepin	14,123	Wholly
Rochester	Olmsted	85,806	Partially
Rochester Township	Olmsted	2,916	Partially
Rosemount	Dakota	14,619	Partially
Roseville	Ramsey	33,690	Wholly
Sartell	Stearns	7,630	Partially

Discretionary MS4 Criteria

Community Name	County Name	2000 Population	Within UA
Sartell	Benton	2,011	Wholly
Sauk Rapids	Benton	10,213	Partially
Sauk Rapids Township	Benton	723	Partially
Savage	Scott	21,115	Partially
Shakopee	Scott	20,568	Partially
Shoreview	Ramsey	25,924	Partially
Shorewood	Hennepin	7,400	Partially
South St. Paul	Dakota	20,167	Wholly
Spring Lake Park	Anoka	6,667	Wholly
Spring Lake Park	Ramsey	105	Wholly
Spring Lake Township	Scott	3,681	Partially
Spring Park	Hennepin	1,717	Partially
St. Anthony	Hennepin	5,664	Wholly
St. Anthony	Ramsey	2,348	Wholly
St. Bonifacius	Hennepin	1,873	Partially
St. Cloud	Sherburne	5,982	Partially
St. Cloud	Stearns	46,734	Partially
St. Cloud	Benton	6,391	Wholly
St. Joseph	Stearns	4,681	Partially
St. Joseph Township	Stearns	2,449	Partially
St. Louis Park	Hennepin	44,126	Wholly
St. Paul	Ramsey	287,151	Wholly
St. Paul Park	Washington	5,070	Wholly
Tonka Bay	Hennepin	1,547	Wholly
Vadnais Heights	Ramsey	13,069	Wholly
Victoria	Carver	4,025	Partially
Waite Park	Stearns	6,568	Partially
Watab Township	Benton	2,920	Partially
Wayzata	Hennepin	4,113	Wholly
West Lakeland Township	Washington	3,547	Partially
West St. Paul	Dakota	19,405	Wholly
White Bear Lake	Ramsey	23,974	Wholly
White Bear Lake	Washington	351	Wholly
White Bear Township	Ramsey	11,293	Partially
Willernie	Washington	549	Wholly
Woodbury	Washington	46,463	Partially
Woodland	Hennepin	480	Wholly

FACT SHEET FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM/ STATE DISPOSAL SYSTEM (NPDES/SDS) General Permit for Small Municipal Separate Storm Sewer Systems

PERMIT NO. MN R580000

Regarding a draft NPDES/SDS general permit to authorize discharge of storm water from regulated small municipal separate storm sewer systems into waters of the state of Minnesota.

This fact sheet has been prepared according to Minn. R. 7001.0100, subp. 3.

Public Comment Period Begins: March 11, 2002

Public Comment Period Ends: April 11, 2002

Name and Address of Permittee:

Owners and operators of small municipal separate storm sewer systems within the state of Minnesota that discharge storm water into the waters of the State and are located within the boundaries of a Federal Bureau of Census-delineated "urbanized area" based on the latest decennial census. This "urbanized area" is defined as a land area comprising one or more places ("central places") and the adjacent densely settled surrounding area ("urban fringe") that together have a residential population of at least 50,000 and a density of at least 1,000 people per square mile. This definition will also include highway departments, universities, hospitals, and any other public operator of a storm sewer system that is located fully or partially within an urbanized area. Any small municipal separate storm sewer system in the state of Minnesota that has a population of at least 10,000 and a population density of at least 1,000 per square mile is required to be evaluated by the Minnesota Pollution Control Agency (MPCA) for possible regulation under this permit. The MPCA also may designate additional small municipal separate storm sewer systems, which discharge pollutants into waters of the state. Please refer to the following U. S. Bureau of Census web page for help regarding whether your small municipal separate storm sewer system is located fully or partially within an "urbanized area".
http://www.census.gov/geo/www/ua/ua_2k.html

Facility Name and Location:

Any small municipal separate storm sewer system located in Minnesota that meets the eligibility requirements of this permit.

Receiving Water: Waters of the State

This Fact Sheet has been prepared in order to document the decisions that were made in the determination of the limitations and conditions of this permit.

The MPCA Commissioner's determination that the permit should be issued is preliminary. The Commissioner may revise the draft permit to reflect any comments received during the public comment period. During the comment period, any person may submit written comments and/or a petition for a public informational meeting and/or a petition for a contested case hearing on the proposed permit action. The comment period begins and ends as indicated above.

Any comments, requests, or petitions received no later than 4:30 p.m. on the last day of the comment period will be considered in the formulation of final determinations.

You may submit written comments on the terms of the draft permit or on the Commissioner's preliminary determination. Your written comments must include the following:

1. A statement of your interest in the permit application or the draft permit;
2. A statement of the action you wish the MPCA to take, including specific references to sections of the draft permit that you believe should be changed; and
3. The reasons supporting your position stated with sufficient specificity as to allow the Commissioner to investigate the merits of your position.

You also may request that the MPCA Commissioner hold a public informational meeting. A public informational meeting is an informal meeting that the MPCA may hold to help clarify and resolve issues.

In accordance with Minn. R. 7000.0650 and Minn. R. 7001.0110, your petition requesting a public informational meeting must identify the matter of concern and must include the following: items 1 through 3 identified above; a statement of the reasons the MPCA should hold the meeting; and the issues you would like the MPCA to address at the meeting.

In addition, you may submit a petition for a contested case hearing. A contested case hearing is a formal hearing before an administrative law judge. Your petition requesting a contested case hearing must include a statement of reasons or proposed findings supporting an agency decision to hold a contested case hearing pursuant to the criteria identified in Minn. R. 7000.1900, subp. 1 and a statement of the issues proposed to be addressed by a contested case hearing and the specific relief requested. To the extent known, your petition also should include a proposed list of witnesses to be presented at the hearing, a proposed list of publications, references or studies to be introduced at the hearing and an estimate of time required for you to present the matter at hearing.

You must submit all comments, requests and petitions during the public comment period identified on page 1 of this notice. All written comments, requests, and petitions received during the public comment period will be considered in the final decisions regarding the permit. If the

MPCA does not receive any written comments, requests, or petitions during the public comment period, the Commissioner or other MPCA staff as authorized by the Commissioner will make the final decision concerning the draft permit. During the public comment period, however, you may request that the draft permit be presented to the MPCA Board for final decision. You may participate in the activities of the MPCA Board as provided in Minn. R. 7000.0650.

Comments, petitions, and/or requests must be submitted by the last day of the public comment period to:

Louis Flynn
Phase II Storm Water Program
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194
1-800-657-3864

The application/permit and public notice numbers should appear next to the above address on the envelope and on each page of any submitted comments or requests.

The permit will be issued if the MPCA determines that the proposed Permittee or Permittees will, with respect to the facility or activity to be permitted, comply or undertake a schedule of compliance to achieve compliance with all applicable state and federal pollution control statutes and rules administered by the MPCA and the conditions of the permit, and that all applicable requirements of Minn. Stat. ch. 116D and the rules promulgated thereunder have been fulfilled.

I. FACILITY DESCRIPTION:

Small municipal separate storm sewer systems within the state of Minnesota that discharge storm water into the waters of the State and are located within the boundaries of a Federal Bureau of Census-delineated "urbanized area" based on the latest decennial census. This "urbanized area" is defined as a land area comprising one or more places ("central places") and the adjacent densely settled surrounding area ("urban fringe") that together have a residential population of at least 50,000 and a density of at least 1,000 people per square mile. This definition will also include highway departments, universities, hospitals, and any other public operator of a storm sewer system that is located fully or partially within an urbanized area.

II. LOCATION OF PERMITTED FACILITY AND/OR ACTIVITY:

Any small municipal separate storm sewer system located in Minnesota that meets the eligibility requirements of this permit, as stated above.

III. CRITERIA FOR ISSUING A GENERAL PERMIT:

General permits are regulated under 40 CFR 122.28 and Minn. R. ch.7001.0210, the following criteria must be applied in developing a general permit:

- **Same or substantially similar type of operation**

Regulated small municipal separate storm sewer systems use similar operational systems to collect, convey and discharge storm water to waters of the State. Small municipal separate storm water operations throughout the State use a similar system of road ditches, street curbs and storm drains, catch basins, natural channels, and pipe drainage systems to catch and convey storm water.

- **Similar waste streams**

Small municipal separate storm sewer systems have similar potential waste streams, including sediment, petroleum products, metals, salts, pesticides, nutrients and litter.

- **Same effluent limitations**

The limitations established in the permit will be the same for all facilities that apply for and obtain coverage under this general permit.

- **Require same or similar monitoring**

The monitoring conditions established in the permit are the same for all facilities that apply for and obtain coverage under this general permit.

- **Discharges more appropriately regulated under a general permit**

This general permit was developed to cover storm water discharges from a large number of small municipal separate storm sewer systems within the state of Minnesota. This general permitting process requires the agency to public notice the permit once, which will expedite the permit issuance process and also maintain more consistent requirements between permittees across the state.

IV. QUANTITATIVE DESCRIPTION OF DISCHARGE:

The quantities of storm water discharges/pollutants are variable and dependent on the population, development practices, and industrial/residential entities within the small municipal separate storm sewer system. Fluctuating rainfall and snow levels will also significantly affect discharge quantities. The permit will address these differences by allowing each permittee to chose best management practices suited to the discharge quantities of their systems.

V. BASIS FOR DRAFT PERMIT CONDITIONS:

This general permit is based on requirements of the Federal Clean Water Act, as amended; 40 CFR 122, 123, and 124, as amended; Minn. Stat. ch. 115 and 116, as amended; and Minn. R. ch. 7001.

Board info Packet
for Jean.

Ron H

RECEIVED

JUN 05 2002

Bd. of Water & Soil Resources
St. Paul

STATE OF MINNESOTA

Office of the Attorney General

TO: JOHN JASCHKE
Land and Water Section Administrator
Board of Water and Soil Resources

DATE: June 3, 2002

FROM: MATTHEW B. SELTZER
Assistant Attorney General
Agriculture and Natural Resources Division
Public & Human Resources Section
445 Minnesota St., #900
St. Paul, MN 55101-2127

PHONE: 296-0692 (Voice)
297-4139 (Fax)
296-1410 (TTY)

SUBJECT: **Wetland Conservation Act Decisions**

Attached for your information is a revised summary of Wetland Conservation Act decisions by the Minnesota Court of Appeals. This revised version includes, among other things, the denial of review in *Zaluckyj v. State of Minnesota, Department of Natural Resources* on April 16, 2002.

Please let me know if you have any questions or comments.

MBS

Enclosure

WETLAND CONSERVATION ACT DECISIONS
BY
THE MINNESOTA COURT OF APPEALS

1. *Krmpotich v. City of Duluth,* 474 N.W.2d 392 (Minn. Ct. App. 1991), *rev. in part,* 483 N.W.2d 55 (Minn. 1992).

Citizens groups brought zoning and Minnesota Environmental Rights Act ("MERA") challenges to a retail mall development. In addressing the MERA issue, the Court of Appeals cited the Wetland Conservation Act of 1991 ("WCA") as evidence of the State's strong policy of protecting wetlands. The Supreme Court reversed the Court of Appeals on other grounds.

2. *City of Greenwood v. Plowman,* No. C1-95-1498, 1996 WL 146342 (Minn. Ct. App. Apr. 2, 1996) (unpublished decision).

Action by the City of Greenwood to compel the removal of two docks, which the City said violated its wetland ordinance. The Court of Appeals held that WCA did not preempt municipalities from adopting more restrictive wetland protection ordinances and that the Greenwood ordinance was not in conflict with state law.

3. *McLeod County Bd. of Comm'rs v. Minnesota Dept. of Natural Res.,* 549 N.W.2d 630 (Minn. Ct. App. 1996), *rev. denied,* (Aug. 20, 1996).

The McLeod County District Court ruled that a WCA cease and desist order that halted the repair of a public drainage system was not an unconstitutional taking of property. McLeod County Board of Commissioners appealed. The Court of Appeals affirmed the district court. The Court of Appeals held that, in cleaning the ditch, the County was obligated to comply with WCA. The Court of Appeals also affirmed the district court's denial of relief for the alleged taking.

4. *Drum v. Minnesota Bd. of Water and Soil Res.,* 574 N.W.2d 71 (Minn. Ct. App. 1998).

Drum appealed the decision by the Board of Water and Soil Resources ("BWSR") affirming denial of Drum's request for an exemption or no-loss determination. The Court of Appeals affirmed BWSR. *Held:* (1) BWSR acted within its authority when it adopted an administrative rule defining wetlands under WCA to include all wetlands not designated by the Department of Natural Resources ("DNR") on its public waters inventory maps; (2) Drum's proposed activity did not fall within the WCA exemptions for incidental impacts to wetlands or the repair of public drainage systems; and (3) because neither BWSR nor the local government unit considered Drum's taking claim, the Court of Appeals would not address it.

5. ***State v. Drum,*** **No. CX-92-922, 1998 WL 170118 (Minn. Ct. App. Apr. 14, 1998) (unpublished decision).**

Drum appealed his conviction of the misdemeanor offense of violating a WCA cease and desist order. The Court of Appeals affirmed the district court. *Held:* (1) the district court did not abuse its discretion in granting a motion in limine to prevent Drum from presenting evidence that he qualified for an exemption or no-loss determination; (2) Drum waived his challenge to the validity of the cease and desist order by failing to challenge the order in a pre-trial motion; and (3) the evidence was sufficient to support the conviction.

6. ***Board Order, Kells (BWSR) v. City of Rochester,*** **597 N.W.2d 332 (Minn. Ct. App. 1999).**

The landowner applied to the City for approval of a wetland replacement plan. Contrary to the recommendations of the technical evaluation panel ("TEP"), the City approved the plan. A member of the TEP, who was a BWSR employee, appealed to BWSR. BWSR reversed the City's decision, and the landowner appealed to the Court of Appeals. The Court of Appeals affirmed BWSR. *Held:* (1) the TEP member who was an employee of BWSR had standing to appeal the City's decision; (2) the appeal was valid even though the employee did not submit a filing fee; (3) the TEP member's petition to BWSR was sufficient; (4) the landowner failed to meet its obligation to describe the proposed project in detail and demonstrate compliance with WCA's sequencing requirements; and (5) BWSR did not err by utilizing its five-member dispute resolution committee to review the City's decision.

7. ***Hentges v. Minnesota Bd. of Water and Soil Res.,*** **638 N.W.2d 441 (Minn. Ct. App. 2002), *rev. denied,* (Mar. 27, 2002).**

Landowners challenged BWSR's affirmance of the Watershed District's denial of landowners' petition for exemption. The Court of Appeals affirmed BWSR. *Held:* (1) BWSR did not exceed its statutory authority in adopting an administrative rule that prevented application of the WCA federal approvals exemption to maintenance of a public drainage ditch; (2) BWSR properly applied the WCA federal approvals exemption; (3) BWSR's action did not take landowners' property; (4) civic and environmental groups could participate in appeal from the Watershed District's decision; (5) the Watershed District properly extended the time for decision under Minn. Stat. § 15.99; and (6) BWSR's bifurcation of case into two phases was proper.

8. ***Minnesota Ctr. for Envtl. Advocacy v. Big Stone County Bd. of Comm'rs,*** **638 N.W.2d 198 (Minn. Ct. App. 2002), *rev. denied,* (Mar. 27, 2002).**

Environmental protection groups sought a declaratory judgment regarding a proposed repair of a public drainage system. The trial court held, among other things, that the cleanout did not qualify for the WCA federal approvals exemption and that a DNR public waters work permit was required. Following its decision in *Hentges,* the Court of Appeals held that the WCA federal approvals exemption does not apply to the drainage of wetlands. The Court of Appeals also found that a DNR permit was required and that an environmental impact statement ("EIS") was necessary.

9. ***Zaluckyj v. State of Minnesota, Dept. of Natural Res.*, 639 N.W.2d 70 (Minn. Ct. App. 2002), *rev. denied*, (Apr. 16, 2002).**

The City of Hugo and private landowners sought a declaratory judgment that they were entitled to have a public drainage ditch repaired without limitation by WCA or DNR public waters regulations. In the alternative, plaintiffs sought damages for a taking. The Washington County District Court dismissed the action for failure to exhaust administrative remedies. The Court of Appeals affirmed the district court. *Held:* (1) plaintiffs were not entitled to a jury trial on the issue of exhaustion of administrative remedies; (2) plaintiffs failed to exhaust their administrative remedies because they had not petitioned for a repair under the drainage laws; and (3) pursuit of administrative remedies was not futile.

05/31/02

AG: #563172-v1

Minnesota State Agency Profiles



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Department of Agriculture

Agency Purpose

The mission of the Minnesota Department of Agriculture (MDA) is to work toward a diverse agricultural industry that is profitable and environmentally sound; to protect public health and safety regarding food and agricultural products; and to ensure orderly commerce in agriculture and food products.

From the farm to your family, the MDA ensures that Minnesota agricultural products used in production or available for consumption meet or exceed regulatory standards. These standards are set by state and federal laws that ensure the quality of products and the safety of food. The MDA also helps sustain and enhance the economic and environmental conditions of the agricultural sector in a number of ways. Since Minnesota produces more food and agricultural products than its citizens can consume, it must focus on marketing strategies that encourage exports to other states and countries. The MDA plays a lead role in helping the state's farmers and agricultural businesses build trade relationships with potential customers in other states and countries.

At A Glance

Why is agriculture vital to 21st century Minnesota? In addition to providing us with the world's most abundant and wholesome food supply, agriculture remains a cornerstone.

- Agriculture and its related industries account for nearly 20% of all Minnesota jobs.
- The dairy sector alone employs more Minnesotans than Northwest Airlines, 3M and Target Corporation combined.
- Exports of farm products bring in more than $2 billion to the state each year.
- Farm exports bring in more than $2 billion to the state each year.
- Every ag production job helps create another 3 jobs in other sectors; and
- More than half of the state's total land area is farmland.

Core Functions

The Protection Services Program provides regulatory oversight for agricultural products from the farm to retail stores. Many of these regulatory activities touch consumers' everyday lives. For example, the MDA protects consumers by inspecting food and dairy products, dairy farms, food processing facilities, grocery stores, and even food stands at the Minnesota State Fair. The MDA also regulates, inspects and analyzes animal feed, fertilizers and pesticides; it performs laboratory analysis on food products; and inspects grain and fresh produce moving into or out

of Minnesota. The MDA helps protect our environment by monitoring surface and ground water for possible contaminants and by preventing the establishment of destructive tree and plant pests such as gypsy moth and Japanese beetle.

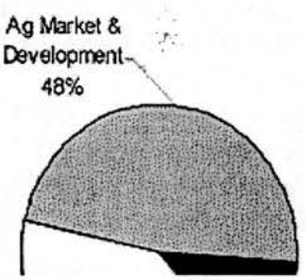
The Agricultural Marketing & Development Services Program helps sustain and enhance farmers' economic and environmental well-being through a number of services. The program develops and tests new farming practices that help minimize environmental impacts, educating farmers about these practices and encouraging their implementation with education and technical assistance. It gives farmers updated information on plant pests during the growing season, helping them determine how and when to take action to protect their crops. The program also helps the state's agricultural community expand existing markets and develop new markets for Minnesota agricultural products. This includes developing international trade opportunities, offering educational programs on risk management, and encouraging value-added activities such as ethanol production.

The Administration and Financial Assistance Program provides leadership and administrative support to the agency, gathers important statistical information for the farm sector, and offers financial assistance to producers. This program provides overall leadership and coordination of agency efforts. It coordinates communication with internal and external stakeholders including farmers, farm media and other government bodies. It provides fiscal oversight to the department and provides important information on employment and benefits to employees. Producers use the statistical information gathered by our joint federal/state division of Ag Statistics to learn about important trends in their industry. The publications provide valuable information on crop conditions, production statistics, and forwards information on Minnesota agriculture to the USDA. Producers and rural lenders benefit from the Rural Finance Authority loan programs. These loans help beginning farmers get started and they help producers upgrade existing production facilities.

Operations

The department's main office is at 90 West Plato Boulevard, in St. Paul. As most of the regulatory and promotion services we provide require face to face contact with our farmers, producers, and consumers, almost half of our staff is scattered throughout the state in the areas they serve. Our inspectors are responsible for on-site inspections of facilities. These inspections ensure that the agricultural products and processes meet applicable standards for quality and integrity. For example, the fertilizer we use on our lawns must meet quality standards just as the fertilizer used in production agriculture. The pesticides we use in our homes are regulated just as those used by farmers. Milk in inspected at many points, from the farm to the milk plant to our supermarkets. Sustainable agricultural practices, such as biological control of weeds and pests, benefit not only the farmers but the shoppers in the urban shopping malls.

Department of Agriculture
Division Budgets (Total: $83,230,675)
FY02 Budgeted



In addition to ensuring the safety and integrity of products, the department helps farmers and agribusinesses market those products in an increasingly competitive global marketplace. The MDA encourages value-added activities and the development of new domestic markets for existing ag products, and it works with other state offices to stimulate international exports of Minnesota-grown agricultural products. This is done to help keep Minnesota's agricultural community competitive in the world marketplace.

Budget

Operating funds are provided by both the General Fund and through dedicated fees collected for regulatory services performed.

Specific Budget Areas:

Operating Funds	$45,719,391	55%
Pass Thru Funds were	$37,511,284	45%
Total	$83,230,675	

Funding Sources:

General Fund	$53,345,815	64%
Dedicated Revenue Funds	$29,884,860	36%
Total	$83,230,675	

Contact

For additional information on policy, please contact Amy Sobieski at 651-296-2880, for budget please contact Becky Leschner at (651) 215-5770.

MDA's website address is www.mda.state.mn.us. Our website contains additional information on each of the divisions in the agency, licensing information, food recalls information, and more.

For information on how this agency measures whether it is meeting its statewide goals, please refer to www.departmentresults.state.mn.us.

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Department of Natural Resources

Agency Purpose

Minnesota Department of Natural Resources "works with citizens to protect and manage the state's natural resources, provide outdoor recreation opportunities, and provide for commercial uses of natural resources in a way that creates a sustainable quality of life." (***Directions for Natural Resources 2000***, DNR's strategic plan.)

This mission requires sharing stewardship with citizens and partners, working together to address often competing interests, and is supported by two overarching goals:

- to restore, maintain or enhance the health of Minnesota ecosystems so they continue to serve environmental, social and economic purposes; and
- to foster an ethic of natural resource stewardship among all Minnesotans.

Core Functions

The DNR's responsibilities are broad. The agency works to provide opportunities for hunting and fishing, recreation and economic development as well as to preserve important features of our natural heritage.

The goal of sustainability guides our work in managing the state's natural resources. Sustainability depends on healthy ecosystems, a vibrant economy and viable communities. Healthy ecosystems support natural resource industries, tourism, outdoor recreation, and the lifestyles important to Minnesotans.

At A Glance

FY2002-03 Budget:

The total of all appropriations available to the DNR for the biennium is $640.2 million.

Of this amount the DNR's operating budget is $522.8 million, which includes direct and statutory appropriations of $508.5 million and a General Fund open appropriation of $14.3 million for firefighting.

$73.7 million of the total is appropriated to the agency for grants and pass-through payments.

In addition $43.7 million of the total is available to fund LCMR-recommended environment and natural resources projects and grants.

Minnesota's population is expected to increase to 5.2 million by 2020. Population growth and development trends put intense pressures on the state's natural resources. Land use conversion fragments natural landscapes. Changes in recreational vehicles, equipment and user preferences (jet skis, fish finders, off road vehicles) also add pressure to natural resources.

The following key management principles outlined in the department's strategic plan guide the DNR's strategies for managing our natural resources.

- Sustaining natural resources and serving state citizens is fundamental to effective resource management.
- Cooperate with other agencies, local units of government, citizens, and stakeholders to effectively manage natural resources.
- Take a systems approach to resource management that integrates broad management efforts.
- Meet complex challenges through the use of sound scientific principles, accurate information and state-of-the-art technology.
- Communicate to internal and external audiences.
- Make resource and land use decisions at the local level.
- Develop an environmental stewardship ethic among all Minnesotans through education.
- Model the sustainable use of natural resources in our work and personal lives.
- Integrate planning and budgeting across area, regional, and state organizational levels.
- Develop an effective and skilled workforce.
- Produce high quality products and services.

Operations

The DNR works directly with citizens, stakeholder groups and all levels of government in providing scientific and technical expertise, setting priorities and managing diverse natural resources.

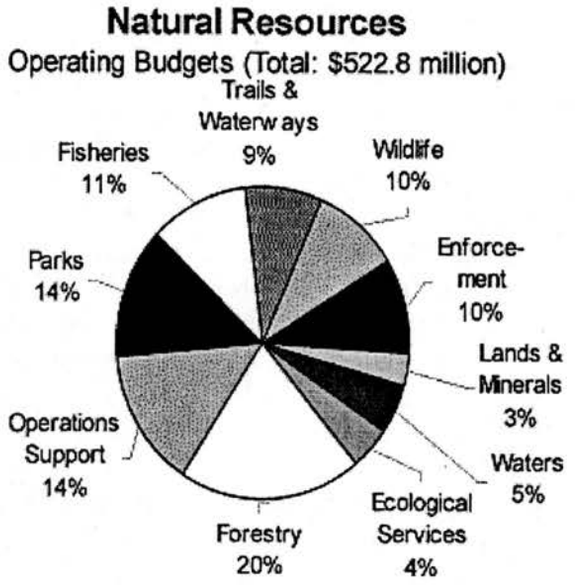
The DNR administers 12 million acres in mineral rights and 5.3 million acres of land for state forests, wildlife management areas, parks, recreation areas, scientific and natural areas, state trails, and public water access sites.

The agency is organized into nine operating divisions and five support bureaus. Staff work out of 200 field offices that are located statewide within four designated regions.

- **Lands and Minerals** manages agency real estate transactions and provides expertise on mineral exploration, mining and mineland reclamation.
- **Waters** monitors all phases of the hydrologic cycle, managing impacts on wetland, lake, river and groundwater phases of the hydrologic cycle.
- **Forestry** ensures the sustainable yield of forest resources while balancing the need to protect wildlife habitat and provide for recreation in state forests. The division also protects citizens and property from wildfires.
- **Parks & Recreation** operates a system of state park and forest campgrounds that preserves and manages natural, scenic and cultural resources, and offers opportunities for recreation and education.
- **Trails & Waterways** provides access to lakes, rivers and streams; designates boating routes; and maintains a statewide network of recreational trails.
- **Fisheries** protects and enhances the state's fishery resources through

research, determining catch limits, stocking and habitat restoration.

- **Wildlife** manages wildlife populations, regulates hunting limits, conducts land and aerial surveys and improves habitat on public and private land.
- **Ecological Services** ensures healthy, resilient ecosystems through research on native plant and animal communities and provides extensive public information.
- **Enforcement** ensures compliance with the laws related to game and fish and the operation of watercraft, snowmobiles, ATVs and other recreational vehicles.
- **Operations Support** contains the five bureaus that provide administrative and support services to all other DNR divisions, as well as direct services to the general public.



Budget

Of the $522.8 million that makes up the DNR's two-year operating budget, 42% is from the General Fund, 31% from the Game and Fish Fund, 16% from the Natural Resources Fund, 5% from federal funds and 6% from special revenue funds.

User fees (licenses, registrations, titling, permits, donations and participation fees) account for 48% of the DNR's biennial operating budget of $522.8 million. These fees are deposited in special and dedicated accounts, and then are appropriated to the agency.

Contact

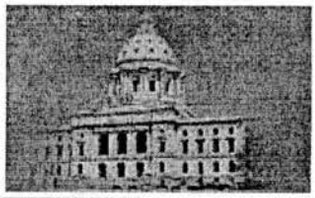
Department of Natural Resources
500 Lafayette Road
St. Paul, Minnesota 55155

Allen Garber, Commissioner
Phone: (651) 296-2549
Fax: (651) 296-4799
http://www.dnr.state.mn.us

For information on how this agency measures whether it is meeting its statewide goals, please refer to
http://www.departmentresults.state.mn.us.

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Minnesota Pollution Control Agency

Agency Purpose

The mission of the MPCA is to help Minnesotans protect the environment. Established in 1967, the agency's purpose is to protect Minnesota's environment through monitoring environmental quality, providing Minnesotan citizens and businesses with the information they need to protect and improve the environment, and by developing and enforcing environmental regulations.

The vision for the MPCA is based on enabling legislation establishing the agency, and is comprised of four parts:

- fishable and swimmable lakes and rivers;
- clean and clear air;
- uncontaminated groundwater and land; and
- healthy ecosystems.

The results of MPCA's efforts are obvious: the air, land, and water are cleaner now than they were 30 years ago, in spite of a growing population and substantial economic growth.

At A Glance

- Responsible for state financed clean-up at 265 contaminated sites and versight for an additional 3,000 sites.
- Performing permitting, inspection, compliance determination and enforcement activities for nearly 7,400 facilities that impact air, water and land.
- Monitoring at more than 500 sites across the state to determine environmental conditions of air, surface waters and groundwater.
- Coordinating volunteer monitoring at 800 lakes for water clarity.
- Certifying facility operators and providing training to over 4,200 regulated parties.

Core Functions

The MPCA's mission is implemented through the following service strategies or core functions:

- Issuing permits that require the prevention, control or cleanup of pollution; limit releases of pollutants; direct the construction or operation of a facility; and control the storage, collection, transporting and processing of waste.
- Inspecting permitted facilities to ensure they comply with the terms of their permits, and if they are not, taking actions to return them to compliance.
- Forming alliances with local governments, businesses, environmental

partners and the public to collectively focus on behavior change, because we all share responsibility for the environment.
- Evaluating environmental conditions in a local, state, regional and global context; integrating data and trend analysis into MPCA planning and decisions; measuring and reporting on environmental progress; and identifying new environmental problems.
- Ensuring that all citizens have access to the best scientific information to effectively participate in managing their own human health and environmental risks.

Operations

The MPCA Citizens' Board sets agency policy and takes action on certain other significant or controversial issues. The Commissioner directs the work of the agency's staff.

The MPCA has slightly more than 730 staff who work at eight offices throughout Minnesota.

The Majors and Remediation Division deals with large industries and municipalities, focusing on major discharge and emission sources in the state. Air quality and land programs are based in this division. Emergency response, closed landfill cleanup, Superfund, leaking storage tank cleanup and small business assistance are also based in this division. Most of these staff are based in St. Paul.

The Regional Environmental Management Division focuses on smaller sources of pollution, such as small cities, businesses and individuals. Water quality and solid waste programs are based in this division as well as environmental review, noise monitoring, feedlots, stormwater, mobile air sources and other programs targeting nonpoint source pollution. This office has staff located throughout the state: Duluth, Brainerd, Rochester, Mankato, Detroit Lakes, Willmar, Marshall and St. Paul.

The Environmental Outcomes Division monitors and evaluates the physical, chemical and biological conditions of Minnesota's environment. With this information, they identify potential impacts to human health and the environment, help set environmental goals, establish environmental standards and help develop permit limits, and report results to staff, stakeholders and citizens. Core groups of these staff are located in St. Paul, with many others in regional offices.

The Policy and Planning Division assists in the development and implementation of legislation, rules and policies to address environmental problems. Staff also oversee agency-wide planning to analyze and address emerging environmental issues. These staff are located in St. Paul.

The Fiscal Services Division oversees the MPCA's finances and its business operations (vehicle fleet, leases, mail and shipping, etc.). Human resources processes and issues are also handled in this division. These staff are located in St. Paul.

The MPCA also has staff who assist

Pollution Control FY 2002

the divisions by providing training,
communications and information technology. The Customer Assistance Center responds to requests for information and assistance from citizens.

Budget

In the 1970s, the MPCA was primarily funded through the General Fund and federal grants. Since then, the MPCA has successfully used rules and permits to limit pollution from big facilities. In the 1980's, environmental fees and taxes were established to fund these types of programs.

In addition, there has been a shift in the sources of pollution in Minnesota. Today, the major sources of air and water pollution are non-point sources, which do not pay environmental fees. In 2002, the Legislative Auditor recommended revisiting how the MPCA is funded to better address today's environmental priorities.

Contact

For more information, contact: Ralph Heussner, Communications Director at (651) 296-6977.

The MPCA Web site at www.pca.state.mn.us gives visitors easy access to useful information about Minnesota's environment. Types of information available through the site include regulatory news and updates, rules, public notices, agency initiatives, details about environmental quality and current "hot topics."

For information on how this agency measures whether it is meeting its statewide goals, please refer to www.departmentresults.state.mn.us

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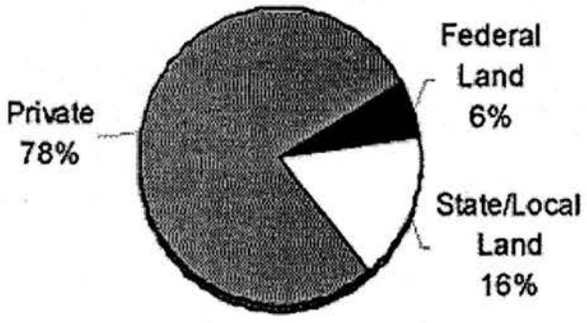
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Water and Soil Resources, Board of

Agency Purpose

The Board of Water and Soil Resources is the state's administrative agency for 91 soil and water conservation districts, 43 watershed districts, 27 metropolitan watersheds and 80 county water management organizations. The agency purpose is to protect and enhance the state's irreplaceable soil and water resources by implementing (though local government) the state's soil and water conservation policy, comprehensive local water management and the wetland conservation act as it relates to the 41.7 million acres of private land in Minnesota.

Land Ownership



Because 78% of the state is held in private ownership, the agency's focus on private lands is critical to the state attaining its goals for clean water, clean air and abundant fish and wildlife. Managed wisely, these working lands - Minnesota's farms, forests and urban areas - contribute greatly to the production of environmental goods and benefits including cleaner air and water, fish and wildlife habitat and preservation of open spaces.

At A Glance

Two-year State Budget:

$ 8.8 million in operating funds
$28 million in pass-through grants
$32.5 million in local government match funds for project implementation

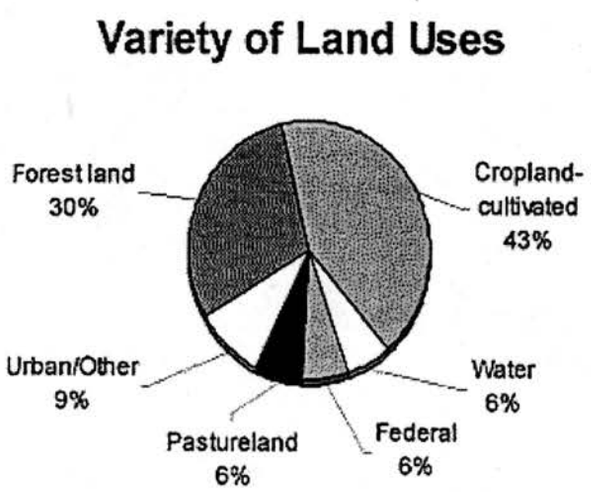
Local Government Delivery System:

Agency responsibilities are delivered with or implemented by local government to assure local priorities and participation in private lands management. These include:

- Soil and Water Conservation Districts-91 SWCD's; 450 Elected Supervisors; 359 District Employees
- Watershed Districts-43 Watershed Districts; 213 Managers; 65 Employees
- Watershed Management Organizations-27 WMO's; 162 Members
- 87 Counties
- 230 Cities
- 304 Townships

Accomplishments:

- 178,181 acres of private land wildlife habitat and restored wetland through RIM Reserve



- 29,588 acres of wetland loss avoided
- 208 feedlot fixes through state cost share
- 1.9 million tons per year of prevented soil erosion
- 522,000 tons of sediment kept out of lakes, rivers and streams
- 1,105,000 pounds of phosphorus kept out of lakes, rivers and streams

Agency programs to assist landowners and local government have resulted in less sediment and nutrients entering our lakes, rivers and streams, more fish and wildlife habitat and the drastic slowing of wetland losses. These outcomes are achieved, in spite of intensification of agriculture, greater demands for forest products and rapid urbanization in many parts of the state.

Core Functions

BWSR's mission is implemented through the following core functions:

- The state soil conservation agency. (M.S. 103B.101)
- Direct private land soil and water conservation programs through the action of SWCD's, counties, cities, townships, Watershed Districts, and Water Management Organizations. (M.S. 103C, 103D)
- To link water resource planning with comprehensive land use planning. (M.S. 103B)
- To provide resolution of water policy conflicts and issues (M.S. 103A.211, 103A.305, 103A.315, 103A.311).
- To implement the comprehensive local water management acts. (M.S. 103B.201, 103B.255, 103B.301)
- To provide the forum (through the board) for local issues, priorities and opportunities to be incorporated into state public policy. (M.S. 103B.101)
- The state agency responsible for the wetland conservation act. (M.S. 103G)
- To coordinate state and federal resources to realize local priorities.

Operations

The board consists of 17 members representing local government entities delivering BWSR services, state agencies and citizens. The board sets a policy agenda designed to enhance service delivery though the use of local government. Agency staff is located in eight locations throughout Minnesota.



The focus of agency staff is to provide technical and financial assistance to local government to plan and implement agency policy on private lands. The agency has a unique service delivery system using the staff and resources of local government, along with the state staff and resources, to work with private landowners to implement conservation on the ground. This provides an opportunity to partner state, federal, local and private resources to projects that help maintain water quality, prevent soil loss and erosion, plan for land use, and protect wetlands, located on private lands. These partnerships in service delivery ensure that the interest of state policy is implemented with local issues and problems in mind.

Budget

BWSR funding is primarily from the General Fund. The majority of the funds are passed through to local government to administer state policies and programs the agency is responsible for. Outcomes are evaluated to assure conservation policy objectives are attained and that resources are expended to assure program success.

Contact

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

BWSR Home page: http://www.bwsr.state.mn.us

Ronald Harnack, Executive Director
Phone: (651) 296-3767
Fax: (651) 297-5615

Agency Profile Home	Budget Home	Dept. Results Web Site	Finance Dept. Home

Minnesota Board of Water & Soil Resources

Central Office: One West Water Street ▪ Suite 200 ▪ Saint Paul, MN 55107 ▪ Phone: (651) 296-3767 ▪ Fax: (651) 297-5615

DATE: June 18, 2002

TO: Soil and Water Conservation Districts

FROM: Sara Johnson, LGU Grants Compliance Coordinator

SUBJECT: 2001 SWCD Financial Statement Summaries

This year, the statewide summaries of the 2001 financial reports can be found on the BWSR website (www.bwsr.state.mn.us) under "Quick Links". They are in a PDF format on the website, and each report can be opened by clicking on the title. You will need to have Acrobat Reader installed on your computer. You can download Acrobat Reader (free of charge) if you do not already have it.

The figures used on these summaries are taken directly from the annual financial reports submitted by the soil and water conservation districts to the Board of Water and Soil Resources (BWSR). A financial report is required by the Office of the State Auditor (OSA) from all governmental units, in addition to being a condition for receiving BWSR grants.

On the "Combined Balance Sheet", the "Deferred Revenue" represents funds received in one calendar year to be spent in a future year, usually state cost-share dollars. Deferred Revenue can also include water plan and WCA funds. The "Deferred Revenue Breakdown" shows the details. The "Deposit on Tree Sales" is the amount of money received from tree customers as a down payment for trees to be picked up in the spring of 2002. The "Fund Balance" is the total amount of the district's assets minus the district's liabilities available for future operating expenses, unless a portion of it has been designated for a specific expenditure, such as equipment or severance pay. If all of the district's assets were "accounts receivable", and there were no liabilities, the fund balance would not indicate a cash reserve. The OSA recommends a fund balance of three to six months operating expenses, plus enough funding to cover upcoming severance pay obligations and equipment replacement needs.

On the "Statement of Revenues and Expenditures", the "Intergovernmental Revenue" represents funds from various governmental units. The amount shown as "state" revenue is state funding that was spent in 2001, not necessarily received in 2001. The amount under "county" is the annual county allocation, including water plan or wetland funds that were spent in 2001, plus any other funds that were received through the county. For a complete listing, see the "Breakdown of County Revenues". The "Project Expense" for "state" projects is the amount paid out with state funds for projects put on the land.

Please print out the reports and share them, as well as the explanations in this letter, with your board members and staff.

c: BWSR Members and Staff
MASWCD Office
State Auditor's Office
Legislative Reference Library

SWCD Operating Leases - 2001

	DISTRICT	2001 Lease	Total Operating Costs*	% of Total Operating	
NE	AITKIN	$4,638.00	$170,533.00	2.72%	
EC	ANOKA	$17,493.36	$305,252.54	5.73%	
WC	BECKER	$6,732.00	$201,123.43	3.35%	
NW	BELTRAMI	$9,113.00	$222,112.02	4.10%	
EC	BENTON	$9,058.00	$185,028.44	4.90%	
SW	BIG STONE	$1,080.00	$100,183.88	1.08%	
SC	BLUE EARTH	$7,558.20	$131,996.22	5.73%	
SC	BROWN	$0.00	$135,553.79	0.00%	
NE	CARLTON	$3,600.00	$111,403.00	3.23%	
EC	CARVER	$12,006.00	$313,516.99	3.83%	
WC	CASS	$0.00	$18,219.21	0.00%	
SW	CHIPPEWA	$0.00	$208,759.39	0.00%	
NE	CHISAGO	$3,854.00	$118,105.82	3.26%	
WC	CLAY	$10,863.00	$212,541.04	5.11%	
NW	CLEARWATER	$3,587.00	$124,751.10	2.88%	
NE	COOK	$0.00	$55,032.17	0.00%	
SW	COTTONWOOD	$4,366.20	$221,677.64	1.97%	
WC	CROW WING	$2,660.00	$121,267.00	2.19%	
EC	DAKOTA		$502,632.58	0.00%	?
SE	DODGE	$2,987.76	$142,744.97	2.09%	
WC	DOUGLAS	$10,004.00	$205,720.03	4.86%	
SC	FARIBAULT	$7,560.00	$209,321.12	3.61%	
SE	FILLMORE	$12,024.72	$266,570.89	4.51%	
SE	FREEBORN	$5,684.00	$146,001.28	3.89%	
SE	GOODHUE	$17,752.06	$382,828.45	4.64%	
WC	GRANT	$2,836.00	$171,305.03	1.66%	
EC	HENNEPIN	$62,847.48	$1,176,931.62	5.34%	
NW	HUBBARD	$5,783.00	$122,299.06	4.73%	
NE	ISANTI	$3,843.00	$130,532.43	2.94%	
NE	ITASCA	$10,490.05	$220,512.65	4.76%	
SW	JACKSON	$5,655.00	$144,072.95	3.93%	
NE	KANABEC	$2,331.00	$87,357.57	2.67%	
SC	KANDIYOHI	$5,449.00	$223,628.74	2.44%	
NW	KITTSON	$4,650.00	$152,921.47	3.04%	
NE	KOOCHICHING	$2,800.00	$98,053.61	2.86%	
SW	LAC QUI PARLE	$11,278.00	$215,673.50	5.23%	
NE	LAKE	$0.00	$94,440.00	0.00%	
NW	LAKE OF THE WOODS	$1,651.00	$72,182.04	2.29%	
SC	LESUEUR	$4,144.00	$187,362.31	2.21%	
SW	LINCOLN	$8,353.00	$205,854.16	4.06%	
SW	LYON	$10,158.00	$212,099.32	4.79%	
NW	MAHNOMEN	$2,590.00	$92,943.79	2.79%	
NW	MARSHALL	$3,779.00	$146,830.76	2.57%	
NW	MARSHALL-BELTRAMI	$10,122.00	$124,965.67	8.10%	
SC	MARTIN	$5,160.00	$183,633.54	2.81%	
SC	MCLEOD		$97,153.39	0.00%	?
SC	MEEKER	$2,228.00	$123,187.93	1.81%	
NE	MILLE LACS	$6,956.00	$147,466.63	4.72%	
WC	MORRISON	$3,531.00	$186,404.85	1.89%	

SWCD Operating Leases - 2001

	DISTRICT	2001 Lease	Total Operating Costs*	% of Total Operating	
SE	MOWER	$10,915.80	$301,842.14	3.62%	
SW	MURRAY	$12,000.00	$146,202.50	8.21%	
SC	NICOLLET	$7,695.00	$80,702.24	9.54%	
SW	NOBLES	$8,270.00	$143,824.00	5.75%	
NW	NORMAN	$0.00	$163,272.89	0.00%	None
SE	OLMSTED	$9,343.92	$259,144.91	3.61%	
WC	OTTERTAIL EAST	$1,843.00	$130,216.54	1.42%	
WC	OTTERTAIL WEST	$5,720.00	$173,904.82	3.29%	
NW	PENNINGTON	$8,521.00	$161,910.81	5.26%	
NE	PINE	$4,815.00	$203,009.34	2.37%	
SW	PIPESTONE	$8,103.72	$137,951.96	5.87%	
NW	POLK EAST		$128,065.20	0.00%	
NW	POLK WEST	$3,270.00	$58,836.00	5.56%	
WC	POPE	$7,524.00	$194,532.57	3.87%	
EC	RAMSEY	$19,327.00	$282,867.00	6.83%	
NW	RED LAKE	$3,390.00	$93,943.04	3.61%	
SW	REDWOOD	$6,045.48	$228,176.25	2.65%	
SC	RENVILLE	$5,576.00	$189,534.50	2.94%	
SE	RICE	$6,279.66	$176,307.65	3.56%	
SW	ROCK	$0.00	$6,624.99	0.00%	
SE	ROOT RIVER	$5,496.36	$222,478.45	2.47%	
NW	ROSEAU	$6,297.00	$126,020.26	5.00%	
EC	SCOTT		$295,061.52	0.00%	?
EC	SHERBURNE	$10,921.00	$307,005.99	3.56%	
SC	SIBLEY	$4,402.00	$177,180.46	2.48%	
EC	STEARNS	$23,592.00	$649,767.00	3.63%	
SE	STEELE	$5,322.00	$174,576.76	3.05%	
WC	STEVENS	$7,254.00	$183,617.00	3.95%	
NE	ST. LOUIS N.	$6,046.50	$96,791.42	6.25%	
NE	ST. LOUIS S.	$11,080.00	$148,842.86	7.44%	
SW	SWIFT	$3,056.00	$145,890.22	2.09%	
WC	TODD	$9,630.85	$196,354.80	4.90%	
WC	TRAVERSE	$4,560.00	$189,545.81	2.41%	
SE	WABASHA	$6,642.00	$175,971.12	3.77%	
WC	WADENA	$4,597.50	$179,150.40	2.57%	
SC	WASECA	$5,720.00	$159,312.24	3.59%	
EC	WASHINGTON	$30,600.70	$529,131.48	5.78%	
SC	WATONWAN	$6,583.56	$152,658.69	4.31%	
WC	WILKIN	$8,508.00	$152,882.88	5.57%	
SE	WINONA	$11,614.00	$145,028.22	8.01%	
EC	WRIGHT	$9,113.00	$307,214.53	2.97%	
SW	YELLOW MEDICINE	$6,909.00	$186,828.19	3.70%	
	TOTAL	$645,840.88			

* Total does not include capital outlay which is not a recurring expense item

BREAKDOWN OF COUNTY REVENUES
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

	DISTRICT	COUNTY ALLOCATION	CLWP GRANT	WETLAND	FEEDLOT	ABANDONED WELL	DNR SHORELAND	OTHER	TOTAL
NE	AITKIN	65,350.00	37,542.00	19,200.00					$122,092.00
EC	ANOKA	126,000.00						19,360.00	$145,360.00
WC	BECKER	104,000.00	30,767.97	24,200.00					$158,967.97
NW	BELTRAMI	63,309.00	37,620.00	30,112.27				19,073.26	$150,114.53
EC	BENTON	63,106.00	53,852.65	6,218.24					$123,176.89
SW	BIG STONE	43,000.00	5,570.44	7,394.64					$55,965.08
SC	BLUE EARTH	52,628.00		5,000.00					$57,628.00
SC	BROWN	68,290.00		400.00					$68,690.00
NE	CARLTON	77,200.00		5,000.00					$82,200.00
EC	CARVER	343,920.00		5,000.00				32,902.26	$381,822.26
WC	CASS	5,000.00							$5,000.00
SW	CHIPPEWA	64,000.00	6,514.38	7,100.00					$77,614.38
NE	CHISAGO	40,000.00		5,000.00		3,561.80			$48,561.80
WC	CLAY	84,044.00	37,500.00	16,700.00					$138,244.00
NW	CLEARWATER	52,000.00	28,539.58	5,480.71					$86,020.29
NE	COOK		15,129.00	5,000.00					$20,129.00
SW	COTTONWOOD	47,000.00	6,027.90	5,000.00				34,086.72	$92,114.62
WC	CROW WING	50,150.00		41,902.00	2,500.00			3,991.00	$98,543.00
EC	DAKOTA	241,327.40	13,319.50	41,000.00	22,775.00			44,642.60	$363,064.50
SE	DODGE	108,912.00		4,118.10				8,000.00	$121,030.10
WC	DOUGLAS	101,175.00		19,200.00					$120,375.00
SC	FARIBAULT	48,000.00	89,198.00					25,500.00	$162,698.00
SE	FILLMORE	181,230.89		15,000.00				9,801.55	$206,032.44
SE	FREEBORN	78,438.00		5,000.00					$83,438.00
SE	GOODHUE	249,218.00	40,762.00						$289,980.00
WC	GRANT	46,302.00	42,498.08	10,497.17					$99,297.25
EC	HENNEPIN	884,893.54	16,363.00						$901,256.54
NW	HUBBARD	20,919.00	36,399.38	5,000.00				74,544.54	$136,862.92
NE	ISANTI	35,000.00	45,883.16	5,000.00					$85,883.16
NE	ITASCA	120,000.00	23,728.13	36,010.00				59,946.53	$239,684.66
SW	JACKSON	67,796.55	6,000.00	5,000.00					$78,796.55
NE	KANABEC	26,500.00	6,516.82	5,000.00				1,500.00	$39,516.82
SC	KANDIYOHI	80,338.39		8,500.00	9,000.00				$97,838.39
NW	KITTSON	32,760.00	28,132.55	18,766.17	2,055.51	1,901.25	9,148.70	57.93	$92,822.11
NE	KOOCHICHING	25,000.00	32,197.69	19,567.82					$76,765.51

BREAKDOWN OF COUNTY REVENUES
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

	DISTRICT	COUNTY ALLOCATION	CLWP GRANT	WETLAND	FEEDLOT	ABANDONED WELL	DNR SHORELAND	OTHER	TOTAL
SW	LAC QUI PARLE	90,000.00		5,000.00					$95,000.00
NE	LAKE	27,458.00	49,450.14	5,000.00				3,520.00	$85,428.14
NW	LAKE OF THE WOODS	20,000.00		10,000.00					$30,000.00
SC	LESUEUR	94,454.00						9,064.04	$103,518.04
SW	LINCOLN	74,000.00	12,719.91	10,000.00				2,394.94	$99,114.85
SW	LYON	68,500.00		10,000.00					$78,500.00
NW	MAHNOMEN	10,133.71	38,535.28	12,200.00	1,295.97				$62,164.96
NW	MARSHALL	61,219.00	3,000.00	10,000.00					$74,219.00
NW	MARSHALL-BELTRAMI	55,000.00	1,338.68	10,887.73				5,000.00	$72,226.41
SC	MARTIN	55,075.00	8,167.71	5,000.00					$68,242.71
SC	MCLEOD	33,280.00		5,476.01					$38,756.01
SC	MEEKER	56,500.00							$56,500.00
NE	MILLE LACS	35,501.00	14,339.27	5,000.00		2,000.00		8,679.76	$65,520.03
WC	MORRISON	61,465.00	0.00	26,700.00	5,337.50				$93,502.50
SE	MOWER	133,100.00	15,500.00	18,300.00				7,775.00	$174,675.00
SW	MURRAY	93,375.65		5,000.00					$98,375.65
SC	NICOLLET	47,663.00		7,480.00					$55,143.00
SW	NOBLES	45,000.00	5,000.00	3,214.00				12,059.00	$65,273.00
NW	NORMAN	53,700.00	37,500.00	12,200.00	3,150.00		3,011.00	988.00	$110,549.00
SE	OLMSTED	158,650.01		16,827.69				273.90	$175,751.60
WC	OTTERTAIL EAST	42,230.04		9,666.50					$51,896.54
WC	OTTERTAIL WEST	42,230.04		17,166.50					$59,396.54
NW	PENNINGTON	72,000.00	38,514.00	14,200.00			3,251.00	838.00	$128,803.00
NE	PINE	60,600.00	55,500.00	68,400.00					$184,500.00
SW	PIPESTONE	25,364.00	29,162.50	10,000.00	46,080.00		3,000.00	30,341.00	$143,947.50
NW	POLK EAST	37,774.00	18,750.00	16,700.00	3,775.00				$76,999.00
NW	POLK WEST	39,200.00	18,750.00	16,700.00	3,775.00			1,640.00	$80,065.00
WC	POPE	43,500.00		15,200.00					$58,700.00
EC	RAMSEY	64,222.00							$64,222.00
NW	RED LAKE	36,500.00	45,326.58	11,911.23	9,042.33		5,617.22	868.00	$109,265.36
SW	REDWOOD	102,000.00	30,075.45	10,000.00					$142,075.45
SC	RENVILLE	74,000.00	4,000.00	10,000.00				3,830.00	$91,830.00
SE	RICE	73,692.00		21,395.61					$95,087.61
SW	ROCK	0.00							$0.00
SE	ROOT RIVER	136,200.00	41,876.45	12,811.00	6,898.00				$197,785.45

BREAKDOWN OF COUNTY REVENUES
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

	DISTRICT	COUNTY ALLOCATION	CLWP GRANT	WETLAND	FEEDLOT	ABANDONED WELL	DNR SHORELAND	OTHER	TOTAL
NW	ROSEAU	43,709.00	29,619.20	18,109.31					$91,437.51
EC	SCOTT	252,529.50							$252,529.50
EC	SHERBURNE	222,937.00	44,309.00	5,000.00					$272,246.00
SC	SIBLEY	46,444.00	43,002.00	24,400.00		7,000.00		34,228.59	$155,074.59
EC	STEARNS	480,000.00	31,916.00	5,000.00					$516,916.00
SE	STEELE	92,686.00		9,500.00	960.00				$103,146.00
WC	STEVENS	80,000.00		5,000.00					$85,000.00
NE	ST. LOUIS N.	60,000.00	4,500.00	5,000.00					$69,500.00
NE	ST. LOUIS S.	60,000.00		5,000.00					$65,000.00
SW	SWIFT	53,900.00	5,000.00						$58,900.00
WC	TODD	74,100.00	39,354.00	28,800.00				116,077.31	$258,331.31
WC	TRAVERSE	78,841.00	25,149.06	16,341.54	1,950.00	2,577.50			$124,859.10
SE	WABASHA	123,019.68		5,000.00					$128,019.68
WC	WADENA	22,500.00	36,556.85	18,600.37	21,840.00			988.00	$100,485.22
SC	WASECA	66,000.00		12,200.00					$78,200.00
EC	WASHINGTON	279,000.00		47,200.00					$326,200.00
SC	WATONWAN	53,000.00	23,189.16	11,598.93	1,157.29				$88,945.38
WC	WILKIN	48,765.00		5,000.00					$53,765.00
SE	WINONA	57,525.00	25,300.00	7,000.00				16,500.00	$106,325.00
EC	WRIGHT	214,239.00	25,739.00	20,000.00					$259,978.00
SW	YELLOW MEDICINE	87,829.00	555.00	5,297.30					$93,681.30
	TOTAL	$8,317,418.40	$1,441,757.47	$1,052,850.84	$141,591.60	$17,040.55	$24,027.92	$588,471.93	$11,583,158.71

Note: Some districts reported totals on the breakdown of county revenues that did not agree with the county revenue total on the Statement of Revenues and Expenditures.

FUND BALANCES

NUMBER OF MONTHS DECEMBER 2001 FUND BALANCES WOULD SUPPORT SWCD OPERATIONS

	DISTRICT	EXPENDITURES			TOTAL DISTRICT OPERATIONS*	MONTHLY OPERATIONS TOTAL*	2001 FUND BALANCE	NO. MONTHS FUND BALANCE WILL SUPPORT DISTRICT OPERATIONS**
		PERSONAL SERVICES	OTHER SERVICES & CHARGES	SUPPLIES				
NE	AITKIN	138,663.00	29,151.00	2,719.00	170,533.00	14,211.08	5,922.00	0.42
EC	ANOKA	255,403.66	48,476.27	1,372.61	305,252.54	25,437.71	110,615.89	4.35
WC	BECKER	175,905.64	22,527.33	2,690.46	201,123.43	16,760.29	140,720.54	8.40
NW	BELTRAMI	192,065.99	29,044.22	1,001.81	222,112.02	18,509.34	70,916.42	3.83
EC	BENTON	152,574.34	29,771.72	2,682.38	185,028.44	15,419.04	78,980.39	5.12
SW	BIG STONE	78,240.15	21,178.88	764.85	100,183.88	8,348.66	87,035.71	10.43
SC	BLUE EARTH	102,342.21	24,634.45	5,019.56	131,996.22	10,999.69	51,912.85	4.72
SC	BROWN	106,113.68	28,732.34	707.77	135,553.79	11,296.15	273,780.06	24.24
NE	CARLTON	90,536.00	20,080.00	787.00	111,403.00	9,283.58	33,317.00	3.59
EC	CARVER	262,220.44	49,706.81	1,589.74	313,516.99	26,126.42	330,303.57	12.64
WC	CASS***	12,602.83	5,616.38	0.00	18,219.21	1,518.27	27,471.03	
SW	CHIPPEWA	143,730.25	63,981.62	1,047.52	208,759.39	17,396.62	171,950.62	9.88
NE	CHISAGO	82,850.06	35,058.14	197.62	118,105.82	9,842.15	119,833.60	12.18
WC	CLAY	171,714.00	39,762.08	1,064.96	212,541.04	17,711.75	296,279.12	16.73
NW	CLEARWATER	103,736.49	20,156.01	858.60	124,751.10	10,395.93	31,189.88	3.00
NE	COOK	41,972.06	10,966.11	2,094.00	55,032.17	4,586.01	31,913.52	6.96
SW	COTTONWOOD	165,252.96	43,950.18	12,474.50	221,677.64	18,473.14	59,330.20	3.21
WC	CROW WING	101,521.00	18,934.00	812.00	121,267.00	10,105.58	92,984.00	9.20
EC	DAKOTA	456,530.88	41,481.18	4,620.52	502,632.58	41,886.05	228,152.97	5.45
SE	DODGE	129,057.57	12,219.72	1,467.68	142,744.97	11,895.41	103,363.25	8.69
WC	DOUGLAS	173,798.64	27,810.99	4,110.40	205,720.03	17,143.34	140,423.06	8.19
SC	FARIBAULT	171,466.79	32,712.91	5,141.42	209,321.12	17,443.43	64,913.54	3.72
SE	FILLMORE	209,847.64	55,828.53	894.72	266,570.89	22,214.24	327,200.46	14.73
SE	FREEBORN	118,180.93	25,169.47	2,650.88	146,001.28	12,166.77	190,672.44	15.67
SE	GOODHUE	328,692.13	51,035.74	3,100.58	382,828.45	31,902.37	222,605.97	6.98
WC	GRANT	148,766.08	22,400.00	138.95	171,305.03	14,275.42	102,033.50	7.15
EC	HENNEPIN	728,622.42	432,598.97	15,710.23	1,176,931.62	98,077.64	146,806.85	1.50
NW	HUBBARD	97,765.02	22,397.28	2,136.76	122,299.06	10,191.59	51,295.89	5.03
NE	ISANTI	103,948.20	26,584.23	0.00	130,532.43	10,877.70	64,210.67	5.90
NE	ITASCA	174,779.87	41,341.67	4,391.11	220,512.65	18,376.05	102,235.77	5.56
SW	JACKSON	99,548.15	41,578.31	2,946.49	144,072.95	12,006.08	132,921.84	11.07
NE	KANABEC	80,819.56	5,926.97	611.04	87,357.57	7,279.80	15,201.00	2.09
SC	KANDIYOHI	166,669.36	54,021.23	2,938.15	223,628.74	18,635.73	177,731.77	9.54
NW	KITTSON	113,986.55	38,052.21	882.71	152,921.47	12,743.46	117,246.13	9.20
NE	KOOCHICHING	73,220.97	23,272.95	1,559.69	98,053.61	8,171.13	67,890.48	8.31
SW	LAC QUI PARLE	177,143.52	36,998.18	1,531.80	215,673.50	17,972.79	80,713.01	4.49
NE	LAKE	81,421.00	12,116.00	903.00	94,440.00	7,870.00	47,701.00	6.06
NW	LAKE OF THE WOODS	64,638.99	6,499.48	1,043.57	72,182.04	6,015.17	77,018.83	12.80

FUND BALANCES

NUMBER OF MONTHS DECEMBER 2001 FUND BALANCES WOULD SUPPORT SWCD OPERATIONS

	DISTRICT	EXPENDITURES			TOTAL DISTRICT OPERATIONS*	MONTHLY OPERATIONS TOTAL*	2001 FUND BALANCE	NO. MONTHS FUND BALANCE WILL SUPPORT DISTRICT OPERATIONS**
		PERSONAL SERVICES	OTHER SERVICES & CHARGES	SUPPLIES				
SC	LESUEUR	167,294.69	18,561.72	1,505.90	187,362.31	15,613.53	183,558.57	11.76
SW	LINCOLN	166,904.06	37,920.06	1,030.04	205,854.16	17,154.51	199,230.33	11.61
SW	LYON	155,984.92	46,774.52	9,339.88	212,099.32	17,674.94	105,294.61	5.96
NW	MAHNOMEN	72,808.46	17,372.88	2,762.45	92,943.79	7,745.32	77,760.98	10.04
NW	MARSHALL	112,670.88	32,505.59	1,654.29	146,830.76	12,235.90	50,115.67	4.10
NW	MARSHALL-BELTRAMI	89,458.59	34,261.17	1,245.91	124,965.67	10,413.81	63,177.85	6.07
SC	MARTIN	144,144.34	37,044.85	2,444.35	183,633.54	15,302.80	82,794.04	5.41
SC	MCLEOD	78,944.56	17,435.59	773.24	97,153.39	8,096.12	86,174.66	10.64
SC	MEEKER	106,034.77	16,363.23	789.93	123,187.93	10,265.66	110,569.31	10.77
NE	MILLE LACS	123,192.30	23,801.13	473.20	147,466.63	12,288.89	39,898.90	3.25
WC	MORRISON	159,719.77	25,483.23	1,201.85	186,404.85	15,533.74	76,856.24	4.95
SE	MOWER	262,843.65	30,865.32	8,133.17	301,842.14	25,153.51	144,994.25	5.76
SW	MURRAY	124,338.25	19,370.05	2,494.20	146,202.50	12,183.54	125,876.88	10.33
SC	NICOLLET	56,798.38	23,776.06	127.80	80,702.24	6,725.19	289,056.55	42.98
SW	NOBLES	109,607.00	31,979.00	2,238.00	143,824.00	11,985.33	115,525.00	9.64
NW	NORMAN	123,549.96	35,304.87	4,418.06	163,272.89	13,606.07	38,827.48	2.85
SE	OLMSTED	202,854.85	55,379.59	910.47	259,144.91	21,595.41	436.31	0.02
WC	OTTERTAIL EAST	103,145.76	14,345.70	12,725.08	130,216.54	10,851.38	121,525.39	11.20
WC	OTTERTAIL WEST	121,698.18	50,940.56	1,266.08	173,904.82	14,492.07	112,398.51	7.76
NW	PENNINGTON	125,296.42	35,690.16	924.23	161,910.81	13,492.57	70,990.63	5.26
NE	PINE	177,980.66	24,194.76	833.92	203,009.34	16,917.45	43,458.17	2.57
SW	PIPESTONE	102,500.22	31,123.19	4,328.55	137,951.96	11,496.00	124,312.59	10.81
NW	POLK EAST	104,695.64	22,658.24	711.32	128,065.20	10,672.10	351,666.77	32.95
NW	POLK WEST	15,900.00	4,216.00	38,720.00	58,836.00	4,903.00	138,340.00	28.22
WC	POPE	162,025.45	30,822.92	1,684.20	194,532.57	16,211.05	179,057.75	11.05
EC	RAMSEY	229,641.00	51,614.00	1,612.00	282,867.00	23,572.25	696,127.00	29.53
NW	RED LAKE	80,263.20	13,374.28	305.56	93,943.04	7,828.59	182,885.12	23.36
SW	REDWOOD	196,132.80	30,721.77	1,321.68	228,176.25	19,014.69	237,170.61	12.47
SC	RENVILLE	151,365.90	36,724.99	1,443.61	189,534.50	15,794.54	146,517.02	9.28
SE	RICE	147,425.47	25,989.85	2,892.33	176,307.65	14,692.30	62,067.78	4.22
SW	ROCK***	0.00	6,624.99	0.00	6,624.99	552.08	88,660.49	
SE	ROOT RIVER	181,291.78	39,956.76	1,229.91	222,478.45	18,539.87	173,742.19	9.37
NW	ROSEAU	96,594.30	27,909.64	1,516.32	126,020.26	10,501.69	166,038.87	15.81
EC	SCOTT	272,588.23	21,341.28	1,132.01	295,061.52	24,588.46	334,233.74	13.59
EC	SHERBURNE	267,456.96	37,915.68	1,633.35	307,005.99	25,583.83	182,742.85	7.14
SC	SIBLEY	163,913.85	11,296.24	1,970.37	177,180.46	14,765.04	96,104.32	6.51
EC	STEARNS	573,027.00	73,755.00	2,985.00	649,767.00	54,147.25	359,422.00	6.64
SE	STEELE	148,544.03	24,559.85	1,472.88	174,576.76	14,548.06	119,926.35	8.24

FUND BALANCES

NUMBER OF MONTHS DECEMBER 2001 FUND BALANCES WOULD SUPPORT SWCD OPERATIONS

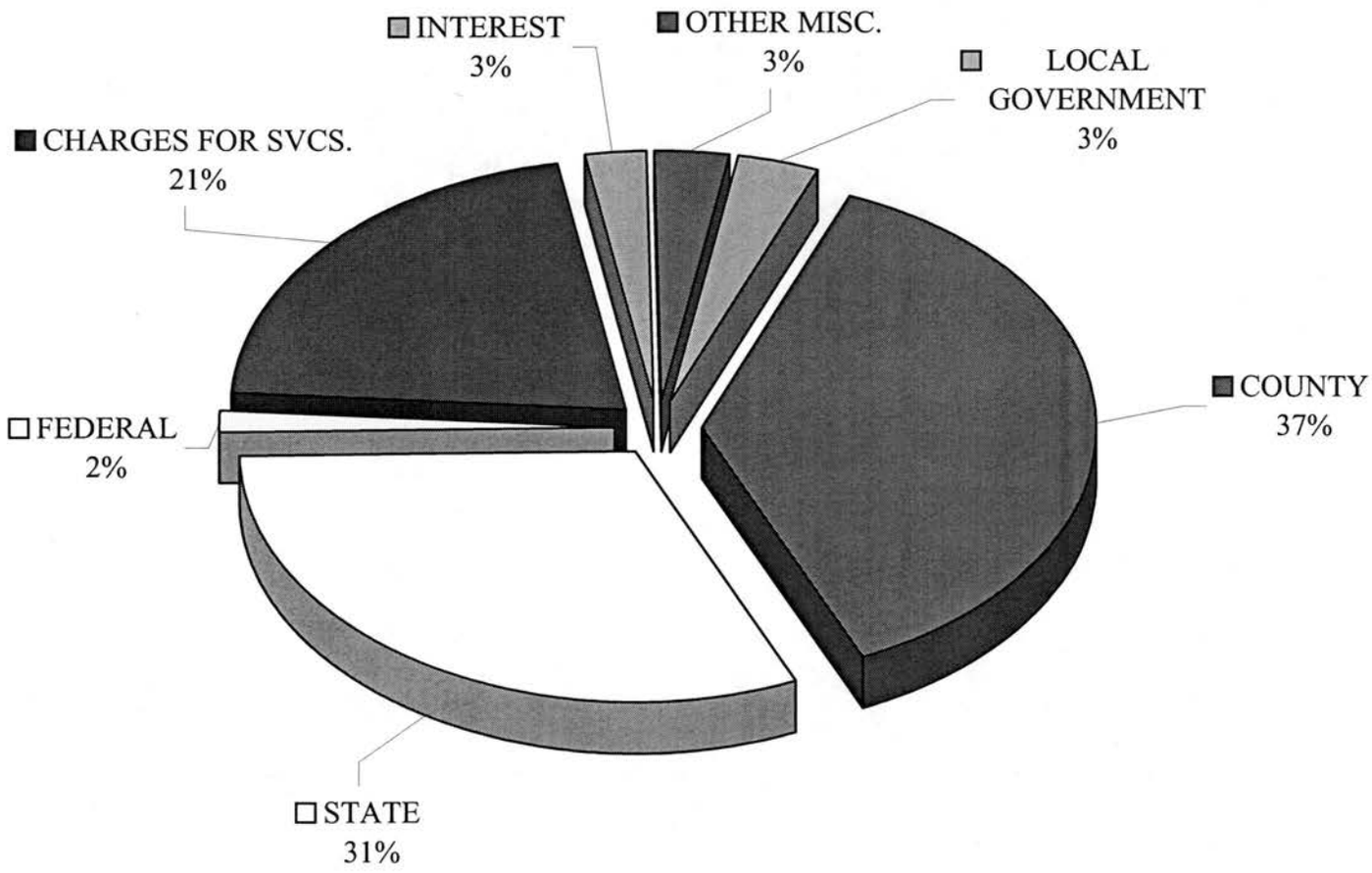
	DISTRICT	EXPENDITURES			TOTAL DISTRICT OPERATIONS*	MONTHLY OPERATIONS TOTAL*	2001 FUND BALANCE	NO. MONTHS FUND BALANCE WILL SUPPORT DISTRICT OPERATIONS**
		PERSONAL SERVICES	OTHER SERVICES & CHARGES	SUPPLIES				
WC	STEVENS	143,729.00	38,463.00	1,425.00	183,617.00	15,301.42	86,768.00	5.67
NE	ST. LOUIS N.	73,898.68	22,232.50	660.24	96,791.42	8,065.95	31,561.92	3.91
NE	ST. LOUIS S.	123,830.67	23,491.47	1,520.72	148,842.86	12,403.57	39,133.69	3.16
SW	SWIFT	115,758.56	29,445.71	685.95	145,890.22	12,157.52	101,007.35	8.31
WC	TODD	149,200.93	44,824.57	2,329.30	196,354.80	16,362.90	118,710.87	7.25
WC	TRAVERSE	127,588.15	60,434.59	1,523.07	189,545.81	15,795.48	156,662.22	9.92
SE	WABASHA	135,054.74	38,326.28	2,590.10	175,971.12	14,664.26	237,761.68	16.21
WC	WADENA	138,374.63	36,478.96	4,296.81	179,150.40	14,929.20	96,660.75	6.47
SC	WASECA	120,084.70	37,629.62	1,597.92	159,312.24	13,276.02	65,055.15	4.90
EC	WASHINGTON	454,800.91	68,783.31	5,547.26	529,131.48	44,094.29	282,137.78	6.40
SC	WATONWAN	128,906.74	21,908.95	1,843.00	152,658.69	12,721.56	112,490.52	8.84
WC	WILKIN	107,511.00	35,087.47	10,284.41	152,882.88	12,740.24	163,306.48	12.82
SE	WINONA	105,666.23	37,712.77	1,649.22	145,028.22	12,085.69	311,271.75	25.76
EC	WRIGHT	274,473.09	29,864.80	2,876.64	307,214.53	25,601.21	260,300.11	10.17
SW	YELLOW MEDICINE	141,763.79	40,680.64	4,383.76	186,828.19	15,569.02	217,782.20	13.99
	TOTAL	14,095,627.13	3,237,112.92	260,128.62	17,592,868.67	1,466,072.39	12,532,941.08	846.92
	Average	154,897.00	35,572.67	2,858.56	193,328.23	16,110.69	137,724.63	9.31

* Equipment (Capital Outlay) was not added into these figures because it is so variable from year to year.

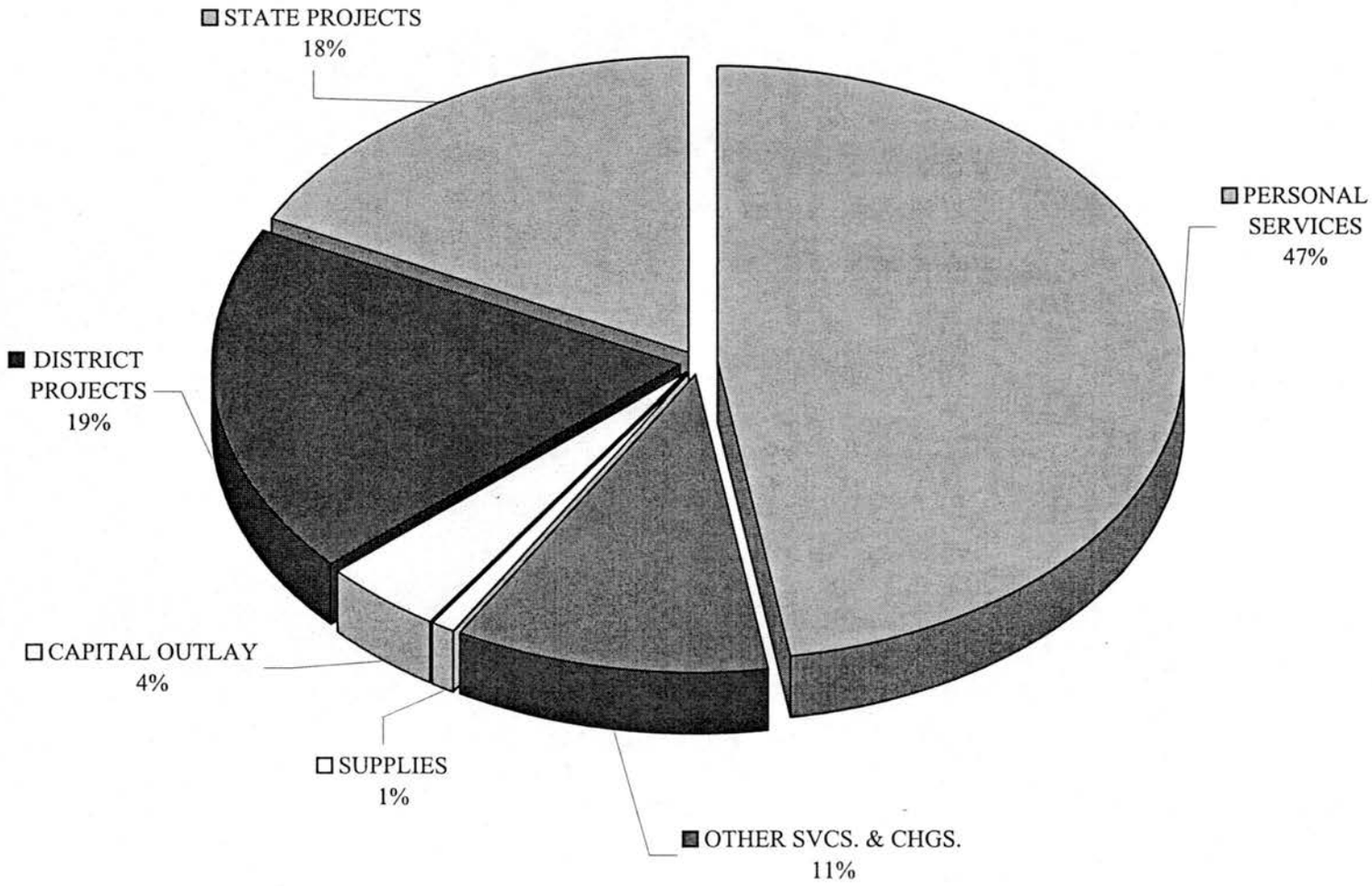
** Three to six months operating funds is appropriate, plus amounts designated for equipment and severance pay.

*** County pays most operating costs.

2001 SWCD REVENUE SOURCES



2001 SWCD EXPENDITURES



COMPENSATED ABSENCES FOR 2001

(long-term debt or severance pay)

DISTRICT	LONG-TERM DEBT	FUND BALANCE
AITKIN	$0.00	$5,922.00
ANOKA	$20,740.72	$110,615.89
BECKER	$32,138.66	$140,720.54
BELTRAMI	$9,226.02	$70,916.42
BENTON	$1,648.44	$78,980.39
BIG STONE	$10,531.11	$87,035.71
BLUE EARTH	$5,273.00	$51,912.85
BROWN	$8,666.07	$273,780.06
CARLTON	$949.00	$33,317.00
CARVER	$24,669.99	$330,303.57
CASS	$0.00	$27,471.03
CHIPPEWA	$17,037.45	$171,950.62
CHISAGO	$3,660.08	$119,833.60
CLAY	$21,317.77	$296,279.12
CLEARWATER	$2,254.36	$31,189.88
COOK	$734.95	$31,913.52
COTTONWOOD	$19,733.16	$59,330.20
CROW WING	$0.00	$92,984.00
DAKOTA	$31,850.00	$228,152.97
DODGE	$17,952.04	$103,363.25
DOUGLAS	$30,621.29	$140,423.06
FARIBAULT	$8,665.79	$64,913.54
FILLMORE	$29,450.73	$327,200.46
FREEBORN	$10,326.25	$190,672.44
GOODHUE	$34,745.00	$222,605.97
GRANT	$11,410.23	$102,033.50
HENNEPIN	$77,724.33	$146,806.85
HUBBARD	$9,416.73	$51,295.89
ISANTI	$8,376.00	$64,210.67
ITASCA	$22,065.59	$102,235.77
JACKSON	$5,619.52	$132,921.84
KANABEC	$12,843.12	$15,201.00
KANDIYOHI	$36,075.10	$177,731.77
KITTSON	$12,381.90	$117,246.13
KOOCHICHING	$2,823.04	$67,890.48
LAC QUI PARLE	$17,657.52	$80,713.01
LAKE	$4,230.00	$47,701.00
LAKE OF THE WOODS	$3,528.42	$77,018.83
LESUEUR	$5,732.85	$183,558.57
LINCOLN	$7,429.98	$199,230.33
LYON	$15,966.02	$105,294.61
MAHNOMEN	$485.66	$77,760.98
MARSHALL	$7,280.39	$50,115.67
MARSHALL-BELTRAMI	$6,705.43	$63,177.85
MARTIN	$8,673.21	$82,794.04
MCLEOD	$15,581.96	$86,174.66

COMPENSATED ABSENCES FOR 2001

(long-term debt or severance pay)

DISTRICT	LONG-TERM DEBT	FUND BALANCE
MEEKER	$26,401.91	$110,569.31
MILLE LACS	$5,241.23	$39,898.90
MORRISON	$7,707.00	$76,856.24
MOWER	$21,944.20	$144,994.25
MURRAY	$11,545.41	$125,876.88
NICOLLET	$4,487.05	$289,056.55
NOBLES	$3,709.00	$115,525.00
NORMAN	$10,543.51	$38,827.48
OLMSTED	$14,966.63	$436.31
OTTERTAIL EAST	$4,033.85	$121,525.39
OTTERTAIL WEST	$2,108.36	$112,398.51
PENNINGTON	$16,944.47	$70,990.63
PINE	$12,707.43	$43,458.17
PIPESTONE	$11,007.29	$124,312.59
POLK EAST	$9,595.56	$351,666.77
POLK WEST	$5,700.00	$138,340.00
POPE	$24,488.00	$179,057.75
RAMSEY	$9,906.00	$696,127.00
RED LAKE	$4,678.93	$182,885.12
REDWOOD	$6,513.71	$237,170.61
RENVILLE	$21,914.42	$146,517.02
RICE	$21,735.45	$62,067.78
ROCK	$0.00	$88,660.49
ROOT RIVER	$25,898.86	$173,742.19
ROSEAU	$12,103.23	$166,038.87
SCOTT	$26,842.39	$334,233.74
SHERBURNE	$34,736.96	$182,742.85
SIBLEY	$27,452.05	$96,104.32
STEARNS	$106,448.00	$359,422.00
STEELE	$4,467.17	$119,926.35
STEVENS	$8,117.00	$86,768.00
ST. LOUIS N.	$0.00	$31,561.92
ST. LOUIS S.	$7,840.93	$39,133.69
SWIFT	$16,928.51	$101,007.35
TODD	$7,683.71	$118,710.87
TRAVERSE	$13,921.80	$156,662.22
WABASHA	$33,386.78	$237,761.68
WADENA	$2,617.36	$96,660.75
WASECA	$9,841.68	$65,055.15
WASHINGTON	$48,547.32	$282,137.78
WATONWAN	$11,011.26	$112,490.52
WILKIN	$8,272.14	$163,306.48
WINONA	$21,257.87	$311,271.75
WRIGHT	$16,704.73	$260,300.11
YELLOW MEDICINE	$16,183.49	$217,782.20
TOTALS	$1,352,341.53	$12,532,941.08

6/18/2002

2001 SWCD Deferred Revenue Breakdown

(unspent funds as of 12/31/01)

DISTRICT	General Services	Unencumbered			Encumbered Cost Share	WCA Funds	Water Plan Funds	Other Funds	Deferred Revenue Total
		2002 Cost Share	2001 Cost Share	2000 Cost Share					
AITKIN					12,413.00			67,794.00	67,794.00
ANOKA					32,007.91			55,230.16	55,230.16
BECKER		28,068.80	419.00		18,418.40		21,721.14	18,200.57	39,921.71
BELTRAMI		23,022.25	12,339.00	6,402.31	2,075.00		3,000.00	83,588.30	86,588.30
BENTON	22,006.20	14,869.00	7,962.83			15,980.51	12,492.03	64,251.63	92,724.17
BIG STONE	11,587.22	13,562.00	909.21		25,825.58	1,398.66	450.00	3,387.50	5,236.16
BLUE EARTH	13,284.76	31,340.00			57,708.00			46,749.59	46,749.59
BROWN	5,745.25	5,522.75			34,186.00				0.00
CARLTON		22,500.00	1,515.00		6,613.00				0.00
CARVER		90,039.61			98,100.73				0.00
CASS	41,484.20				8,884.41				0.00
CHIPPEWA	15,497.99	5,226.00			17,967.29			55,888.10	55,888.10
CHISAGO		19,324.00	11,685.17		51,326.85			1,000.00	1,000.00
CLAY		19,056.80	2,895.61		16,473.22		5,124.84	274,319.39	279,444.23
CLEARWATER	15,400.00	10,000.00	6,002.22		1,162.00				0.00
COOK		8,000.00	3,649.00		10,619.50			1,000.00	1,000.00
COTTONWOOD	68,667.88	23,328.00	4,904.35		7,750.00			3,244.65	3,244.65
CROW WING	2,000.00	8,000.00	2,677.00		20,403.00				0.00
DAKOTA	12,983.00	69,152.00	10,436.75		141,053.54		33,900.00	55,106.15	89,006.15
DODGE		3,376.97			112,757.97				0.00
DOUGLAS	5,543.00	40,170.00	23,103.39		78,722.94			8,063.58	8,063.58
FARIBAULT	36,365.00	683.35			11,563.25			187,777.74	187,777.74
FILLMORE	2,529.40	1,377.61	21,450.00	1,895.57	104,584.66			56,548.45	56,548.45
FREEBORN		12,294.80	2,339.75		37,671.69				0.00
GOODHUE	3,275.00	7,100.09	65,224.49		20,127.50			14,250.00	14,250.00
GRANT		63,739.20	4,178.23			1,000.00	4,274.07		5,274.07
HENNEPIN	40,634.00	18,072.00	14,457.60	14,457.60	90,000.00			25,322.58	25,322.58
HUBBARD		10,000.00	6,633.00		13,736.00		20,493.47	3,854.87	24,348.34
ISANTI		11,304.00	4,254.19				9,791.02	14,612.80	24,403.82
ITASCA	900.00	4,575.00	2,024.48		14,032.00			130,849.60	130,849.60
JACKSON	28,760.65	1,057.40			44,366.65	5,000.00	6,000.00	5,000.00	16,000.00
KANABEC		5,414.06	171.63		2,522.19			28,794.73	28,794.73
KANDIYOHI		55,267.00	1,462.00		13,442.00			25,161.61	25,161.61
KITTSON	13,967.54	5,324.00			18,291.34	1,699.07	3,030.71	1,604.70	6,334.48
KOOCHICHING	18,459.66				6,420.50	6,577.18			6,577.18

2001 SWCD Deferred Revenue Breakdown

(unspent funds as of 12/31/01)

DISTRICT	General Services	Unencumbered			Encumbered Cost Share	WCA Funds	Water Plan Funds	Other Funds	Deferred Revenue Total
		2002 Cost Share	2001 Cost Share	2000 Cost Share					
LAC QUI PARLE	46,314.50	5,150.75			9,328.75			20,396.62	20,396.62
LAKE		10,000.00					19,517.64		19,517.64
LAKE OF THE WOODS	7,474.15	1,218.75			10,832.45				0.00
LESUEUR	87,968.27	20,422.29	14,893.92		66,500.00			13,730.78	13,730.78
LINCOLN		16,522.00	3,452.50		78,015.00			65,373.08	65,373.08
LYON	50,947.88	97,473.00	2,109.62		41,518.26				0.00
MAHNOMEN	4,395.96	9,783.00	4,771.04		3,103.14		13,160.85	6,534.55	19,695.40
MARSHALL	26,190.00	14,421.00	3,283.30		8,867.69			321,809.00	321,809.00
MARSHALL-BELTRAMI		2,921.20			13,032.41			75,860.00	75,860.00
MARTIN	48,566.53	26,822.40	7,349.40		68,825.79			9,700.00	9,700.00
MCLEOD	607.93	22,944.00	46,828.67		25,216.25	2,772.53			2,772.53
MEEKER	16,173.84	22,387.20	16,468.07						0.00
MILLE LACS		10,000.00	5,551.80		1,950.75		3,117.71	4,308.52	7,426.23
MORRISON	9,752.00	13,911.76			79,220.45			76,750.28	76,750.28
MOWER	21,033.41				58,140.77				0.00
MURRAY		38,601.00			21,975.00				0.00
NICOLLET	36,709.79	15,082.00	9,614.13		74,329.82				0.00
NOBLES	13,152.50	5,595.77	4,124.39		24,595.92			158,542.21	158,542.21
NORMAN		17,948.00	16,606.94		45,467.51				0.00
OLMSTED	19,960.09	37,068.00	281.20		43,709.80			7,673.12	7,673.12
OTTERTAIL EAST	15,474.90	214,733.13			18,674.38			37,224.34	37,224.34
OTTERTAIL WEST	29,609.60	1,565.49	891.52		28,528.74				0.00
PENNINGTON	23,498.00	38,062.00			41,532.63			191,345.99	191,345.99
PINE		15,424.00	4,197.00		19,200.00			112,299.43	112,299.43
PIPESTONE	8,246.59	3,558.99			16,196.25		10,117.23	76,635.26	86,752.49
POLK EAST	15,356.35	7,680.50	632.86	11,935.53	12,937.50			31,397.17	31,397.17
POLK WEST	23,063.00	6,661.00	2,759.00					591,683.00	591,683.00
POPE	13,808.34	32,284.00	4,819.11		57,965.50			21,744.25	21,744.25
RAMSEY	2,176.00	13,989.00	11,197.00			51,984.00			51,984.00
RED LAKE	7,129.61				17,925.60	470.97	5,385.93	115.03	5,971.93
REDWOOD		15,421.00	7,760.17				7,424.55	306,681.77	314,106.32
RENVILLE	61,912.11	5,904.00	1,114.42		17,346.58			1,294.49	1,294.49
RICE	6,022.84				358,524.31	8,209.80		39,904.70	48,114.50
ROCK		1,155.37	1,013.31		228,236.16				0.00
ROOT RIVER		19,982.00	15,975.00		8,224.00		8,319.55	7,138.57	15,458.12

2001 SWCD Deferred Revenue Breakdown

(unspent funds as of 12/31/01)

DISTRICT	General Services	Unencumbered			Encumbered Cost Share	WCA Funds	Water Plan Funds	Other Funds	Deferred Revenue Total
		2002 Cost Share	2001 Cost Share	2000 Cost Share					
ROSEAU	26,880.40	13,373.60	13,487.20		3,325.00			266,224.50	266,224.50
SCOTT		76,742.00			95,426.00			13,059.27	13,059.27
SHERBURNE		3,903.76			3,462.00		5,150.04	9,550.00	14,700.04
SIBLEY		14,001.70	5,387.05		2,279.29		6,158.92	6,063.92	12,222.84
STEARNS		155,734.00	46,506.00		41,212.00			818,777.00	818,777.00
STEELE	2,974.80	3,549.20	697.03		59,775.00				0.00
STEVENS		20,255.80			30,393.15			90,050.34	90,050.34
ST. LOUIS N.	9,001.63	9,777.00			4,578.00				0.00
ST. LOUIS S.		10,908.00	3,141.86		30,500.00			29,451.86	29,451.86
SWIFT	33,569.18	12,099.92	519.03		9,167.13				0.00
TODD		20,846.56	545.90		27,770.04		5,385.40	65,863.49	71,248.89
TRAVERSE		2,544.60	5.32		9,170.00	8,300.21	21,980.00	33,388.71	63,668.92
WABASHA	21,997.14	22,766.80			2,756.25	9,648.10		264,176.25	273,824.35
WADENA		10,000.00	1,042.26		8,326.25	8,099.63	4,021.51	117,460.69	129,581.83
WASECA	23,077.22	3,910.55			3,479.01				0.00
WASHINGTON	24,061.00	14,465.00	13,928.30		167,724.00			8,417.00	8,417.00
WATONWAN	45,522.78		3,734.00		49,763.43	5,074.96			5,074.96
WILKIN		2,469.76	2,337.95		23,157.96				0.00
WINONA	21,588.92	4,909.57			89,839.90	7,000.00	27,250.11		34,250.11
WRIGHT		4,815.00	1,110.44		30,250.00			19,991.57	19,991.57
YELLOW MEDICINE	37,203.83	68,187.00	4,765.00		23,943.00	5,152.15		500.00	5,652.15
TOTALS	1,178,505.64	1,804,759.06	472,874.78	28,288.70	3,282,530.63	138,367.77	257,266.72	5,152,717.46	5,548,351.95
Average	12,950.61					1,520.52	2,827.11	56,623.27	60,970.90

STATEMENTS OF REVENUES AND EXPENDITURES
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

		REVENUES								EXPENDITURES							EXCESS OF
		INTERGOVERNMENTAL				CHARGES FOR SVCS.	MISCELLANEOUS		TOTAL	PERSONAL SERVICES	OTHER SVCS. & CHGS.	SUPPLIES	CAPITAL OUTLAY	PROJECT EXPENSE		TOTAL	REVENUES
	DISTRICT	LOCAL	COUNTY	STATE	FEDERAL		INTEREST	OTHER	REVENUES					DISTRICT	STATE	EXPENDITURES	(EXPENDITURES)
NE	AITKIN		122,092.00	41,721.00		9,087.00	3,797.00	95,251.00	$271,948.00	138,663.00	29,151.00	2,719.00	549.00	113,133.00	15,050.00	$299,265.00	-$27,317.00
EC	ANOKA	15,879.87	145,360.00	144,934.67	118,809.09	76,780.22	7,930.75		$509,694.60	255,403.66	48,476.27	1,372.61	11,743.29	112,645.42	73,202.34	$502,843.59	$6,851.01
WC	BECKER		158,967.97	49,671.87		96,044.28	8,362.35	4,520.49	$317,566.96	175,905.64	22,527.33	2,690.46	13,334.74	61,484.74	17,922.67	$293,865.58	$23,701.38
NW	BELTRAMI	1,250.00	150,114.53	79,546.92		73,067.03	7,545.08	3,688.96	$315,212.52	192,065.99	29,044.22	1,001.81	1,844.83	76,132.81	10,858.44	$310,948.10	$4,264.42
EC	BENTON		123,176.89	62,531.91		46,000.61	7,827.88	7,554.46	$247,091.75	152,574.34	29,771.72	2,682.38	1,468.26	21,755.80	50,055.72	$258,308.22	-$11,216.47
SW	BIG STONE		55,965.08	35,792.05		43,357.17	2,751.36	1,743.30	$139,608.96	78,240.15	21,178.88	764.85	9,729.71	30,916.15	6,398.70	$147,228.44	-$7,619.48
SC	BLUE EARTH		57,628.00	166,243.73		39,419.74	5,014.35	19,232.20	$287,538.02	102,342.21	24,634.45	5,019.56	30,675.98	22,396.67	116,246.00	$301,314.87	-$13,776.85
SC	BROWN		68,690.00	86,017.00		27,574.75	11,357.16	6.18	$193,645.09	106,113.68	28,732.34	707.77		24,194.59	27,462.00	$187,210.38	$6,434.71
NE	CARLTON		82,200.00	23,960.00		770.00	418.00	97.00	$107,445.00	90,536.00	20,080.00	787.00	4,178.00	517.00	-1,806.00	$114,292.00	-$6,847.00
EC	CARVER	59,815.62	381,822.26	195,105.52		32,992.60	24,703.59	1,525.00	$695,964.59	262,220.44	49,706.81	1,589.74	67,176.02	74,726.31	155,893.89	$611,313.21	$84,651.38
WC	CASS		5,000.00	15,630.19		750.00	1,082.81	1,826.69	$24,289.69	12,602.83	5,616.38			25.00	42,946.76	$61,190.97	-$36,901.28
SW	CHIPPEWA		77,614.38	123,088.25	237.04	144,056.72	10,781.11	3,730.23	$359,507.73	143,730.25	63,981.62	1,047.52	6,054.37	139,983.12	11,444.24	$366,241.12	-$6,733.39
NE	CHISAGO		48,561.80	26,743.50		87,854.05	7,236.73	1,359.00	$171,755.08	82,850.06	35,058.14	197.62	724.08	47,655.03	2,242.50	$168,727.43	$3,027.65
WC	CLAY		138,244.00	205,059.98		127,868.22	15,969.38	11,281.69	$498,423.27	171,714.00	39,762.08	1,064.96	38,890.03	181,929.69	31,843.05	$465,203.81	$33,219.46
NW	CLEARWATER	2,001.00	86,020.29	74,781.66		37,318.69	3,466.11	834.27	$204,422.02	103,736.49	20,156.01	858.60	7,574.98	32,586.28	39,545.13	$204,457.49	-$35.47
NE	COOK		20,129.00	24,800.50	37,066.31	97.25	1,264.65	274.00	$83,631.71	41,972.06	10,966.11	2,094.00		29,170.71	53.50	$84,256.38	-$624.67
SW	COTTONWOOD		92,114.62	144,744.70		140,241.29	2,072.05	10,148.91	$389,321.57	165,252.96	43,950.18	12,474.50	28,190.76	84,335.26	33,179.00	$367,382.66	$21,938.91
WC	CROW WING	2,500.00	98,543.00	43,443.00		6,599.00	3,036.00	24,080.00	$178,201.00	101,521.00	18,934.00	812.00	16,480.00	24,646.00	14,580.00	$176,973.00	$1,228.00
EC	DAKOTA	83,876.16	363,064.50	156,409.12		98,861.47	31,440.98	4,655.27	$738,307.50	456,530.88	41,481.18	4,620.52	22,281.08	91,476.05	107,947.11	$724,336.82	$13,970.68
SE	DODGE		121,030.10	55,976.28		10,375.74	9,502.73	150.08	$197,034.93	129,057.57	12,219.72	1,467.68	15,640.19	10,969.79	20,861.28	$190,216.23	$6,818.70
WC	DOUGLAS		120,375.00	68,874.01		94,386.59	13,752.38	6,603.73	$303,991.71	173,798.64	27,810.99	4,110.40	16,423.91	35,155.03	30,615.26	$287,914.23	$16,077.48
SC	FARIBAULT		162,698.00	115,374.64	26,465.66	21,369.15	14,596.62	525.00	$341,029.07	171,466.79	32,712.91	5,141.42	6,885.23	12,865.40	90,996.23	$320,067.98	$20,961.09
SE	FILLMORE		206,032.44	275,556.40		60,888.24	27,720.04	3,143.82	$573,340.94	209,847.64	55,828.53	894.72	15,062.54	53,988.85	232,477.09	$568,099.37	$5,241.57
SE	FREEBORN		83,438.00	82,134.57		40,802.03	5,098.48	8,959.48	$220,432.56	118,180.93	25,169.47	2,650.88	20,171.65	29,324.37	15,237.50	$210,734.80	$9,697.76
SE	GOODHUE	9,156.00	289,980.00	162,127.85		96,445.99	17,300.17	3,312.22	$578,322.23	328,692.13	51,035.74	3,100.58	39,896.62	82,315.72	53,010.25	$558,051.04	$20,271.19
WC	GRANT		99,279.25	84,117.39		74,459.03	5,997.73	8,551.12	$272,404.52	148,766.08	22,400.00	138.95	10,219.58	53,806.94	51,450.59	$286,782.14	-$14,377.62
EC	HENNEPIN	100,224.31	901,256.54	57,710.58	1,641.74	116,253.43	12,276.91	23,740.58	$1,213,104.09	728,622.42	432,598.97	15,710.23	13,090.98	12,212.71	570.00	$1,202,805.31	$10,298.78
NW	HUBBARD	1,181.13	136,862.92	53,857.16		14,373.52	3,717.74	1,257.00	$211,249.47	97,765.02	22,397.28	2,136.76	6,581.63	45,888.11	10,595.68	$185,364.48	$25,884.99
NE	ISANTI		85,883.16	33,084.75		144,370.47	4,446.03	14,940.79	$282,725.20	103,948.20	26,584.23		25,139.46	114,613.46	6,759.75	$277,045.10	$5,680.10
NE	ITASCA	12,542.17	239,684.66	97,003.01	5,199.96	0.00	9,402.62	4,792.26	$368,624.68	174,779.87	41,341.67	4,391.11	3,559.95	82,867.80	17,502.01	$324,442.41	$44,182.27
SW	JACKSON	2,534.35	78,796.55	52,567.78	5,000.00	60,736.21	4,452.73	2,228.27	$206,315.89	99,548.15	41,578.31	2,946.49	3,800.27	44,373.48	7,682.24	$199,928.94	$6,386.95
NE	KANABEC		39,516.82	71,373.00		40,987.38	631.76	1,539.29	$154,048.25	80,819.56	5,926.97	611.04	1,526.00	19,791.56	15,689.39	$124,364.52	$29,683.73
SC	KANDIYOHI		97,838.39	170,485.04		248,131.30	8,765.96	3,806.96	$529,027.65	166,669.36	54,021.23	2,938.15	33,828.50	145,700.37	147,244.00	$550,401.61	-$21,373.96
NW	KITTSON	14,388.49	92,822.11	18,512.17	444.48	79,853.66	3,806.45	7,278.10	$217,105.46	113,986.55	38,052.21	882.71	6,695.00	54,038.08	183.44	$213,837.99	$3,267.47
NE	KOOCHICHING		76,765.51	35,705.66		12,859.70	4,666.47	1,581.24	$131,578.58	73,220.97	23,272.95	1,559.69	1,169.66	6,685.75	13,934.00	$119,843.02	$11,735.56
SW	LAC QUI PARLE		95,000.00	126,017.63		176,525.63	7,867.31	34,302.60	$439,713.17	177,143.52	36,998.18	1,531.80	38,791.27	110,146.85	42,662.00	$407,273.62	$32,439.55
NE	LAKE		85,428.00	88,636.00		368.00	1,911.00	1,426.00	$177,769.00	81,421.00	12,116.00	903.00		18,627.00	61,214.00	$174,281.00	$3,488.00
NW	LAKE OF THE WOODS		30,000.00	24,370.89		40,490.21	2,443.41	374.51	$97,679.02	64,638.99	6,499.48	1,043.57	5,198.14	1,028.21	6,000.00	$84,408.39	$13,270.63
SC	LESUEUR		103,518.04	293,952.99		13,475.98	6,891.94		$417,838.95	167,294.69	18,561.72	1,505.90		10,509.17	166,534.68	$364,406.16	$53,432.79
SW	LINCOLN		99,114.85	142,027.05	41,799.00	149,642.72	13,520.31	1,155.81	$447,259.74	166,904.06	37,920.06	1,030.04	42,713.60	125,214.67	36,177.00	$409,959.43	$37,300.31
SW	LYON		78,500.00	150,683.51		149,648.89	4,297.46	2,365.23	$385,495.09	155,984.92	46,774.52	9,339.88	16,508.51	74,293.98	53,027.68	$355,929.49	$29,565.60
NW	MAHNOMEN		62,164.96	33,039.57		38,306.14	3,329.17	5,235.73	$142,075.57	72,808.46	17,372.88	2,762.45	4,112.71	24,077.30	3,274.69	$124,408.49	$17,667.08
NW	MARSHALL		74,219.00	196,869.46		141,283.19	12,289.63	5,997.80	$430,659.08	112,670.88	32,505.59	1,654.29	62,674.18	63,153.73	161,919.06	$434,577.73	-$3,918.65
NW	MARSHALL-BELTRAMI	11,510.22	72,226.41	80,166.00		99,744.94	3,452.29	5,033.99	$272,133.85	89,458.59	34,261.17	1,245.91	13,154.50	55,870.25	42,826.81	$236,817.23	$35,316.62
SC	MARTIN	16,169.00	68,242.71	98,235.55		43,707.72	7,502.82	7,761.00	$241,618.80	144,144.34	37,044.85	2,444.35	14,609.70	34,189.16	6,303.66	$238,736.06	$2,882.74
SC	MCLEOD		38,756.01	39,600.77		26,212.06	5,770.85	1,674.22	$112,013.91	78,944.56	17,435.59	773.24	1,806.01	19,502.88	13,293.70	$131,755.98	-$19,742.07
SC	MEEKER		56,500.00	56,502.56		39,166.00	5,175.21	2,237.78	$159,581.55	106,034.77	16,363.23	789.93	5,739.59	27,870.84	13,614.93	$170,413.29	-$10,831.74
NE	MILLE LACS	3,976.48	65,520.03	81,578.06	2,166.32	37,757.28	3,924.01	25.00	$194,947.18	123,192.30	23,801.13	473.20	602.94	36,050.79	15,785.81	$199,906.17	-$4,958.99
WC	MORRISON	51,350.81	93,502.50	151,799.52	24,068.75	79,177.49	11,413.74	3,349.87	$414,662.68	159,719.77	25,483.23	1,201.85	3,279.86	149,191.37	85,351.14	$424,227.22	-$9,564.54
SE	MOWER		174,675.00	82,557.36	15,000.00	187,203.10	8,736.76	8,382.30	$476,554.52	262,843.65	30,865.32	8,133.17	19,458.40	142,589.97	25,798.95	$489,689.46	-$13,134.94
SW	MURRAY		98,375.65	42,966.25		95,591.91	3,215.42	3,267.37	$243,416.60	124,338.25	19,370.05	2,494.20	23,701.33	50,651.46	8,863.25	$229,418.54	$13,998.06

STATEMENTS OF REVENUES AND EXPENDITURES
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

		REVENUES								EXPENDITURES							EXCESS OF
		INTERGOVERNMENTAL				CHARGES FOR SVCS.	MISCELLANEOUS		TOTAL	PERSONAL SERVICES	OTHER SVCS. & CHGS.	SUPPLIES	CAPITAL OUTLAY	PROJECT EXPENSE		TOTAL	REVENUES
	DISTRICT	LOCAL	COUNTY	STATE	FEDERAL		INTEREST	OTHER	REVENUES					DISTRICT	STATE	EXPENDITURES	(EXPENDITURES)
SC	NICOLLET		55,143.70	43,391.37		13,671.15	11,561.20	5,729.53	$129,496.95	56,798.38	23,776.06	127.80	1,916.43	10,007.83	1,441.85	$94,068.35	$35,428.60
SW	NOBLES	31,585.00	65,274.00	61,831.00		75,549.00	6,469.00	4,104.00	$244,812.00	109,607.00	31,979.00	2,238.00	6,084.00	38,410.00	47,562.00	$235,880.00	$8,932.00
NW	NORMAN		110,549.00	66,482.91		88,992.04	2,699.65	4,199.92	$272,923.52	123,549.96	35,304.87	4,418.06	14,261.13	35,639.44	30,943.23	$244,116.69	$28,806.83
SE	OLMSTED		175,751.60	55,643.34	1,380.42	73,062.72	3,567.26	3,314.68	$312,720.02	202,854.85	55,379.59	910.47	1,137.05	49,682.34	45,181.33	$355,145.63	-$42,425.61
WC	OTTERTAIL EAST		51,896.54	55,803.28		96,795.51	13,728.49	7,228.00	$225,451.82	103,145.76	14,345.70	12,725.08	39,929.09	48,229.09	20,621.98	$238,996.70	-$13,544.88
WC	OTTERTAIL WEST		59,396.54	111,275.60		93,239.30	4,751.41	54,817.41	$323,480.26	121,698.18	50,940.56	1,266.08	25,115.73	64,582.63	31,293.45	$294,896.63	$28,583.63
NW	PENNINGTON		128,803.00	117,798.07		72,297.97	8,417.80	6,540.15	$333,856.99	125,296.42	35,690.16	924.23	10,544.95	48,386.53	86,098.07	$306,940.36	$26,916.63
NE	PINE	48,802.67	184,500.00	47,780.00		47,898.09	4,056.69	45.50	$333,082.95	177,980.66	24,194.76	833.92	5,363.85	100,280.73	24,012.00	$332,665.92	$417.03
SW	PIPESTONE		143,947.50	45,854.76		59,618.17	3,785.52	5,703.98	$258,909.93	102,500.22	31,123.19	4,328.55	13,864.42	60,558.98	14,784.36	$227,159.72	$31,750.21
NW	POLK EAST		76,999.00	55,555.88		133,222.54	7,078.01	5,580.76	$278,436.19	104,695.64	22,658.24	711.32	11,167.61	63,750.41	25,636.59	$228,619.81	$49,816.38
NW	POLK WEST	940.00	80,065.00	312,875.00	22,964.00	82,096.00	27,360.00	835.00	$527,135.00	15,900.00	4,216.00	38,720.00	6,287.00	148,052.00	280,390.00	$493,565.00	$33,570.00
WC	POPE	1,218.75	58,700.00	176,902.00	7,400.00	345,684.06	15,447.57	3,845.11	$609,197.49	162,025.45	30,822.92	1,684.20	33,437.25	264,580.80	65,460.12	$558,010.74	$51,186.75
EC	RAMSEY	120,411.00	64,222.00	111,979.00				145,085.00	$441,697.00	229,641.00	51,614.00	1,612.00	6,690.00	58,688.00	45,907.00	$394,152.00	$47,545.00
NW	RED LAKE		109,265.36	16,687.84		8,521.69	3,640.34	6,629.64	$144,744.87	80,263.20	13,374.28	305.56	8,257.00	354.00	25,075.64	$127,629.68	$17,115.19
SW	REDWOOD	29,048.44	142,075.45	263,190.52		3,364.36	12,094.64	68,733.74	$518,507.15	196,132.80	30,721.77	1,321.68	42,634.51	17,773.55	178,011.40	$466,595.71	$51,911.44
SC	RENVILLE	4,505.51	91,830.00	116,499.74		64,537.47	7,586.38	30,941.67	$315,900.77	151,365.90	36,724.99	1,443.61	5,941.57	76,344.21	12,253.70	$284,073.98	$31,826.79
SE	RICE		95,087.61	104,602.03		31,974.41	19,304.19	2,145.85	$253,114.09	147,425.47	25,989.85	2,892.33	6,449.05	20,742.25	64,329.95	$267,828.90	-$14,714.81
SW	ROCK			62,569.64		51,491.33	4,290.41	1,103.00	$119,454.38		6,624.99		6,013.00	44,469.00	76,929.64	$134,036.63	-$14,582.25
SE	ROOT RIVER		197,785.45	121,675.96		19,191.43	2,052.26	8,536.92	$349,242.02	181,291.78	39,956.76	1,229.91	22,867.99	43,677.48	78,927.92	$367,951.84	-$18,709.82
NW	ROSEAU		91,437.51	117,668.67		189,671.72	14,736.57	2,054.47	$415,568.94	96,594.30	27,909.64	1,516.32	17,070.00	111,916.81	111,707.28	$366,714.35	$48,854.59
EC	SCOTT	213,612.97	252,529.50	217,605.00	62,962.26	54,634.55	20,872.18	4,203.45	$826,419.91	272,588.23	21,341.28	1,132.01	2,864.89	279,455.93	125,835.00	$703,217.34	$123,202.57
EC	SHERBURNE		272,246.00	36,544.24	450.00	35,806.32	7,173.35	5,127.00	$357,346.91	267,456.96	37,915.68	1,633.35	16,887.24	13,410.01	9,219.20	$346,522.44	$10,824.47
SC	SIBLEY		163,912.30	74,368.63		22,316.08	7,049.39	4,411.85	$272,058.25	163,913.85	11,296.24	1,970.37		48,392.81	41,359.71	$266,932.98	$5,125.27
EC	STEARNS	15,876.00	527,803.00	801,452.00	170.00	33,484.00	58,654.00	6,660.00	$1,444,099.00	573,027.00	73,755.00	2,985.00	11,888.00	34,762.00	736,261.00	$1,432,678.00	$11,421.00
SE	STEELE		103,146.00	114,108.85		80,662.39	1,655.20	9,921.21	$309,493.65	148,544.03	24,559.85	1,472.88	4,472.44	60,102.67	53,726.16	$292,878.03	$16,615.62
WC	STEVENS		85,000.00	68,484.00		174,192.00	11,381.00	7,228.00	$346,285.00	143,729.00	38,463.00	1,425.00	4,446.00	90,994.00	43,068.00	$322,125.00	$24,160.00
NE	ST. LOUIS N.		69,500.00	37,905.68		18,047.87	1,197.30	127.00	$126,777.85	73,898.68	22,232.50	660.24	1,093.69	16,621.00	5,475.00	$119,981.11	$6,796.74
NE	ST. LOUIS S.		65,000.00	65,258.14	48,784.00	66,082.30	4,982.64	24,280.40	$274,387.48	123,830.67	23,491.47	1,520.72	2,055.93	90,057.10	41,933.14	$282,889.03	-$8,501.55
SW	SWIFT		58,900.00	87,146.04		57,866.26	3,204.06	652.67	$207,769.03	115,758.56	29,445.71	685.95	37,505.10	28,365.05	25,741.47	$237,501.84	-$29,732.81
WC	TODD		258,331.31	105,657.75		48,307.29	12,732.47	3,028.20	$428,057.02	149,200.93	44,824.57	2,329.30	3,025.71	131,502.94	71,128.85	$402,012.30	$26,044.72
WC	TRAVERSE		124,859.10	67,543.67		118,545.03	7,961.67	21,704.88	$340,614.35	127,588.15	60,434.59	1,523.07	20,409.52	61,652.43	38,537.34	$310,145.10	$30,469.25
SE	WABASHA		128,019.68	127,914.96		9,794.65	20,713.51	1,418.86	$287,861.66	135,054.74	38,326.28	2,590.10	3,506.36	5,838.85	101,939.91	$287,256.24	$605.42
WC	WADENA		100,485.22	31,976.50	17,505.71	54,916.51	7,752.06	8,262.48	$220,898.48	138,374.63	36,478.96	4,296.81	23,023.84	41,558.17	5,439.19	$249,171.60	-$28,273.12
SC	WASECA	2,000.00	78,200.00	105,158.73	34,042.97	37,499.07	1,363.68	9,478.90	$267,743.35	120,084.70	37,629.62	1,597.92	2,017.31	75,243.42	20,377.95	$256,950.92	$10,792.43
EC	WASHINGTON		326,200.00	38,219.70	2,560.88	323,309.33	6,274.42		$696,564.33	454,800.91	68,783.31	5,547.26	24,243.57	67,427.63	9,941.20	$630,743.88	$65,820.45
SC	WATONWAN	129,324.03	88,945.38	131,270.03	120.00	70,079.98	4,867.20	933.32	$425,539.94	128,906.74	21,908.95	1,843.00	5,095.55	157,842.02	36,371.00	$351,967.26	$73,572.68
WC	WILKIN	6,428.96	53,765.00	52,921.53		105,903.98	7,418.88	30,619.90	$257,058.25	107,511.00	35,087.47	10,284.41	32,844.68	36,871.40	17,133.53	$239,732.49	$17,325.76
SE	WINONA		106,325.00	258,918.00		20,079.82	8,367.81	16,294.45	$409,985.08	105,666.23	37,712.77	1,649.22	5,286.25	16,103.91	157,820.28	$324,238.66	$85,746.42
EC	WRIGHT	3,155.28	259,978.00	228,130.20		63,311.10	7,912.11	13,678.67	$576,165.36	274,473.09	29,864.80	2,876.64	6,824.15	73,157.95	107,687.00	$494,883.63	$81,281.73
SW	YELLOW MEDICINE		93,681.30	185,439.38		86,555.70	12,029.40	31,575.69	$409,281.47	141,763.79	40,680.64	4,383.76	15,146.42	65,381.42	98,779.00	$366,135.03	$43,146.44
	TOTALS	$995,264.22	$11,602,866.98	$9,725,778.67	$476,238.59	$6,555,606.98	$790,123.21	$933,589.06	$31,079,467.71	$14,095,627.13	$3,237,112.92	$260,128.62	$1,240,605.32	$5,618,141.47	$5,226,862.56	$29,678,478.02	$1,400,989.69

COMBINED BALANCE SHEETS
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

	ASSETS									LIABILITIES								
DISTRICT	CASH CHECKING	CASH SAVINGS	PETTY CASH	INVEST-MENTS	ACCTS. REC.	INTEREST REC.	DUE FROM OTHER GOVTS.	PREPAID ITEMS	TOTAL ASSETS	ACCTS. PAYABLE	ACCRUED SALARIES PAYABLE	DUE TO OTHER GOVTS.	SALES TAX PAYABLE	DEFERRED REVENUE	DEPOSIT TREE SALES	TOTAL LIABILITIES	FUND BALANCE	TOTAL LIABILITIES & FUND EQUITY
AITKIN	10,724.00	93,694.00					713.00		$105,131.00	6,128.00	4,599.00	4,521.00	628.00	80,207.00	3,126.00	99,209.00	5,922.00	$105,131.00
ANOKA	-38,916.89		55.00	160,514.96	80,765.96			4,977.38	$207,396.41				-30.13	87,238.07	9,572.58	96,780.52	110,615.89	$207,396.41
BECKER	9,030.89	199,208.08	52.00	25,000.00		192.02			$233,482.99		603.99	1,622.50	218.87	86,827.91	3,489.18	92,762.45	140,720.54	$233,482.99
BELTRAMI	1,309.82	4,812.00	25.00	168,844.94	12,106.38		45,311.61	474.99	$232,884.74	13,945.86		9,671.04		130,426.86	7,924.56	161,968.32	70,916.42	$232,884.74
BENTON	5,197.67	150,194.17		100,000.00				4,522.70	$259,914.54		2,721.64	490.17	1,069.92	137,562.20	39,090.22	180,934.15	78,980.39	$259,914.54
BIG STONE	3,816.25	119,038.94	2.36	23,231.42	175.00				$146,263.97	715.01	1,303.26	89.82		57,120.17		59,228.26	87,035.71	$146,263.97
BLUE EARTH	9,357.00	190,104.78						7,379.75	$206,841.53		345.84	2,625.68	98.36	149,082.35	2,776.45	154,928.68	51,912.85	$206,841.53
BROWN	55,678.88	263,580.69	20.00						$319,279.57				45.51	45,454.00		45,499.51	273,780.06	$319,279.57
CARLTON	4,459.00	17,247.00		40,862.00			3,258.00	1,343.00	$67,169.00		3,224.00			30,628.00		33,852.00	33,317.00	$67,169.00
CARVER	3,078.70	82,279.78	20.30	428,690.74	63.85	11,159.24			$525,292.61				388.70	188,140.34	6,460.00	194,989.04	330,303.57	$525,292.61
CASS	71,011.85	2,445.73					5,000.00		$78,457.58		492.41	125.53		50,368.61		50,986.55	27,471.03	$78,457.58
CHIPPEWA	105,487.13	102,184.29		123,673.67	11,856.79	4,563.76	2,099.25		$349,864.89					177,914.27		177,914.27	171,950.62	$349,864.89
CHISAGO	43,225.27	173,308.36	100.00				685.00		$217,318.63		331.88		919.63	83,336.02	12,897.50	97,485.03	119,833.60	$217,318.63
CLAY	607,082.70		50.00		7,016.28				$614,148.98					317,869.86		317,869.86	296,279.12	$614,148.98
CLEARWATER	9,178.07	25,213.14	53.97	26,418.28	30.00	382.27	575.00	5,418.00	$67,268.73		200.00	96.00	3.21	32,564.22	3,215.42	36,078.85	31,189.88	$67,268.73
COOK	5,635.49	19,043.89		14,368.13			16,134.51		$55,182.02					23,268.50		23,268.50	31,913.52	$55,182.02
COTTONWOOD	84,826.66	1,735.38	50.00	70,000.00	354.22	1,032.71	9,514.50		$167,513.47	278.12			10.27	107,894.88		108,183.27	59,330.20	$167,513.47
CROW WING	4,198.00	128,886.00	20.00				1,206.00		$134,310.00		1,919.00	2,832.00	1,143.00	33,080.00	2,352.00	41,326.00	92,984.00	$134,310.00
DAKOTA	5,951.37	234,771.66	100.00	250,000.00	123.35		73,254.51	4,147.36	$568,348.25	1,111.93	8,884.64	1,074.56	746.00	322,631.44	5,746.71	340,195.28	228,152.97	$568,348.25
DODGE	474.89			218,294.08	1,586.00	1,165.50		2,912.00	$224,432.47	4,498.00	380.31	55.97		116,134.94		121,069.22	103,363.25	$224,432.47
DOUGLAS	6,598.14	234,638.12	50.00	60,000.00	70.00	639.41	630.00	785.06	$303,410.73	248.79	5,538.44	710.57	3.10	155,602.91	883.86	162,987.67	140,423.06	$303,410.73
FARIBAULT	2,781.82	299,483.57	40.00						$302,305.39				1,002.51	236,389.34		237,391.85	64,913.54	$302,305.39
FILLMORE	52,246.51	363,280.13	29.66	94,729.04	988.33	10,779.21			$522,052.88		5,746.52	672.02	48.19	188,385.69		194,852.42	327,200.46	$522,052.88
FREEBORN	2,157.48	240,821.20							$242,978.68					5,306.24		52,306.24	190,672.44	$242,978.68
GOODHUE	132,788.83		50.00	206,711.66				1,519.00	$341,069.49				571.19	109,977.08	7,915.25	118,463.52	222,605.97	$341,069.49
GRANT	46,515.85	62,917.43	20.00	55,000.00	11,317.28				$175,770.56				545.56	73,191.50		73,737.06	102,033.50	$175,770.56
HENNEPIN	612.02	232,832.54		110,000.00	4,936.55	175.42	10,435.49		$358,992.02	2,833.15		6,363.34	44.90	202,943.78		212,185.17	146,806.85	$358,992.02
HUBBARD	903.49	40,821.90	50.00	56,635.42		658.35	9,796.89	3,880.41	$112,746.46	614.48			17.11	54,717.34	6,101.64	61,450.57	51,295.89	$112,746.46
ISANTI	472.25	67,449.02		36,655.44	4,081.00				$108,657.71		1,675.20	2,795.63	14.30	39,962.01		44,447.14	64,210.67	$108,657.81
ITASCA	-32,087.70	179,418.64		107,285.91					$254,616.85					152,381.08		152,381.08	102,235.77	$254,616.85
JACKSON	40,316.59	96,674.45		85,000.00	4,580.82	130.80	1,023.50		$227,726.16	2,127.17	2,945.92		-453.47	90,184.70		94,804.32	132,921.84	$227,726.16
KANABEC	183.01	34,714.52	50.00	25,000.00		267.81	150.00		$60,365.34	71.99	1,136.00	4,772.00	149.18	36,902.61	2,132.56	45,164.34	15,201.00	$60,365.34
KANDIYOHI	13,759.92	81,384.93	25.00	175,000.00		3,292.70			$273,462.55					95,332.61	398.17	95,730.78	177,731.77	$273,462.55
KITTSON	34,846.96	31,171.44		271,774.61	3,289.10	398.10			$341,480.21	175,094.63		3,263.05	1,359.59	43,917.36	599.46	224,234.09	117,246.13	$341,480.22
KOOCHICHING	1,013.79	100,754.75			1,324.99				$103,093.53	941.75		2,141.96	546.00	31,457.34	116.00	35,203.05	67,890.48	$103,093.53
LAC QUI PARLE	1,610.61	59,678.47		55,000.00	37,304.52	498.47	9,984.81		$164,076.88	1,500.00	328.00	345.25		81,190.62		83,363.87	80,713.01	$164,076.88
LAKE	73,699.00						3,520.00		$77,219.00					29,518.00		29,518.00	47,701.00	$77,219.00
LAKE OF THE WOODS	3,824.27	95,565.73							$99,390.00	307.58		2,437.24	101.00	19,525.35		22,371.17	77,018.83	$99,390.00
LESUEUR	382,886.61			13,000.00					$395,886.61				1,991.78	203,515.26	6,821.00	212,328.04	183,558.57	$395,886.61
LINCOLN	23,591.93	207,989.74		132,791.61	8,104.63	1,377.75			$373,855.66		11,262.52		0.23	163,362.58		174,625.33	199,230.33	$373,855.66
LYON	1,188.92	409,931.27		40,000.00	55,677.59	147.26			$506,945.04	201,998.41			3,168.63	192,048.76	4,434.63	401,650.43	105,294.61	$506,945.04
MAHNOMEN	6,298.39	52,133.76		70,000.00	-134.47				$128,297.68				1.39	41,748.54	8,786.77	50,536.70	77,760.98	$128,297.68
MARSHALL	6,466.21	408,470.76			9,827.11				$424,764.08				77.42	374,570.99		374,648.41	50,115.67	$424,764.08
MARSHALL-BELTRAMI	383.05	27,233.07		138,254.00	1,739.46		4,206.53		$171,816.11					91,813.61	16,824.65	108,638.26	63,177.85	$171,816.11
MARTIN	124,556.45			110,000.00	150.00	764.00	9,106.63		$244,577.08		479.68	39.24		161,264.12		161,783.04	82,794.04	$244,577.08
MCLEOD	69,959.63	78,044.66	15.00	31,569.76				5,691.12	$185,280.17				736.13	98,369.38		99,105.51	86,174.66	$185,280.17
MEEKER	6,556.99	30,049.25		130,000.00	2,019.80	229.50			$168,855.54	175.00	337.86	876.08	68.49	55,029.11	1,799.69	58,286.23	110,569.31	$168,855.54
MILLE LACS	10,372.11	14,241.08		55,195.51	1,047.72	329.37		300.00	$81,485.79	96.00	1,785.86	2,196.39	1,643.00	24,928.78	10,936.86	41,586.89	39,898.90	$81,485.79
MORRISON	20,523.51	43,530.94		193,462.94				20,068.00	$277,585.39	1,720.07	1,453.68	191.60	570.41	179,634.49	17,158.90	200,729.15	76,856.24	$277,585.39
MOWER	441.36	225,675.31	50.00		760.68		175.20		$227,102.55				4.51	79,174.18	2,929.61	82,108.30	144,994.25	$227,102.55
MURRAY	15,585.43	160,800.79	25.00		7,403.29		2,281.50	405.00	$186,501.01	27.99			19.64	60,576.00		60,623.63	125,876.88	$186,500.51

COMBINED BALANCE SHEETS
SOIL AND WATER CONSERVATION DISTRICTS
2001

6/18/2002

	ASSETS									LIABILITIES								
DISTRICT	CASH CHECKING	CASH SAVINGS	PETTY CASH	INVEST-MENTS	ACCTS. REC.	INTEREST REC.	DUE FROM OTHER GOVTS.	PREPAID ITEMS	TOTAL ASSETS	ACCTS. PAYABLE	ACCRUED SALARIES PAYABLE	DUE TO OTHER GOVTS.	SALES TAX PAYABLE	DEFERRED REVENUE	DEPOSIT TREE SALES	TOTAL LIABILITIES	FUND BALANCE	TOTAL LIABILITIES & FUND EQUITY
NICOLLET	282,891.38			141,900.91					$424,792.29					135,735.74		135,735.74	289,056.55	$424,792.29
NOBLES	6,942.00	214,558.00	25.00	102,500.00		506.00			$324,531.00	174.00	382.00	1,988.00	451.00	206,011.00		209,006.00	115,525.00	$324,531.00
NORMAN	362.63	79,448.79		37,000.00	18,935.25	384.01	2,059.48	723.17	$138,913.33	4,268.64		4,771.26		80,022.45	11,023.50	100,085.85	38,827.48	$138,913.33
OLMSTED	4,239.77	121,256.50	20.42	300.85	320.00		56.07	16,371.38	$142,564.99	14,686.94	3,697.44	3,586.35	807.00	108,692.21	10,658.74	142,128.68	436.31	$142,564.99
OTTERTAIL E.	9,540.10	97,624.24	25.00	356,419.18	1,637.83	5,098.79		379.98	$470,725.12			9,056.62	11.12	286,106.75	54,025.24	349,199.73	121,525.39	$470,725.12
OTTERTAIL W.	4,842.37	24,005.15	50.00	140,000.00	1,553.13		4,601.47		$175,052.12				-0.22	60,595.35	2,058.48	62,653.61	112,398.51	$175,052.12
PENNINGTON	98,345.76	54,232.60		221,200.40	9,011.61	2,262.41	1,279.87		$386,332.65					294,438.62	20,903.40	315,342.02	70,990.63	$386,332.65
PINE	11,100.85	138,089.78		44,496.41		546.11		345.45	$194,578.60					151,120.43		151,120.43	43,458.17	$194,578.60
PIPESTONE	1,638.83	146,376.59		83,532.16	15,549.26	21.81			$247,118.65	8,007.07			44.68	114,754.31		122,806.06	124,312.59	$247,118.65
POLK EAST	357,438.34	60,704.36			4,442.60	771.22		8,350.60	$431,707.12				100.44	79,939.91		80,040.35	351,666.77	$431,707.12
POLK WEST	11,372.00	39,151.00		707,210.00	5,144.00				$762,877.00					624,166.00	371.00	624,537.00	138,340.00	$762,877.00
POPE	3,760.00	139,245.00	13.35	100,000.00	17,646.70	6,200.00	18,400.00	25,180.00	$310,445.05				-35.05	130,621.20	801.15	131,387.30	179,057.75	$310,445.05
RAMSEY	800,894.00		75.00						$800,969.00	2,947.00	13,320.00	9,229.00		79,346.00		104,842.00	696,127.00	$800,969.00
RED LAKE	172,964.87			41,135.39					$214,100.26	188.00				31,027.14		31,215.14	182,885.12	$214,100.26
REDWOOD	450,163.45		40.00	128,309.93					$578,513.38		3,001.49	395.59	658.20	337,287.49		341,342.77	237,170.61	$578,513.38
RENVILLE	10,545.08	20,138.94		175,891.69	11,344.32		17,895.10		$235,815.13		1,399.63	326.88		87,571.60		89,298.11	146,517.02	$235,815.13
RICE	5,366.00	459,272.30		25,000.00	100.00	1,505.08	450.00	300.00	$491,993.38		2,417.59	367.01		412,661.65	14,479.35	429,925.60	62,067.78	$491,993.38
ROCK	5,782.25	276,743.58	92.50	30,000.00	6,398.40				$319,016.73				-48.60	230,404.84		230,356.24	88,660.49	$319,016.73
ROOT RIVER	171,570.71	53,918.15	100.00	12,577.96				362.75	$238,529.57	210.69			545.00	59,549.12	4,482.57	64,787.38	173,742.19	$238,529.57
ROSEAU	2,027.74	489,191.71		19,378.92					$510,598.37	1,083.85		15,580.95		323,290.70	4,604.00	344,559.50	166,038.87	$510,598.37
SCOTT	1,356.83	157,139.05	11.94	372,705.58	15,463.31	2,016.48			$548,693.19	18,253.50	8,460.81	1,085.52	1,378.85	185,227.27	53.50	214,459.45	334,233.74	$548,693.19
SHERBURNE	96,390.86		25.00	112,901.49		100.06		3,220.00	$212,637.41		5,997.93	769.53	1,061.30	22,065.80		29,894.56	182,742.85	$212,637.41
SIBLEY	1,792.32	120,366.96		10,000.00	163.12		1,010.26		$133,332.66	48.38		3,289.08		33,890.88		37,228.34	96,104.32	$133,332.66
STEARNS	1,358,368.00	90,014.00		17,681.00	300.00				$1,466,363.00		16,738.00	2,147.00		1,062,228.00	25,828.00	1,106,941.00	359,422.00	$1,466,363.00
STEELE	174,771.16	15,898.42			210.34			300.00	$191,179.92	410.95	1,540.00	2,223.73	52.86	66,996.03	30.00	71,253.57	119,926.35	$191,179.92
STEVENS	4,945.00	224,071.00	50.00		1,518.00				$230,584.00				117.00	140,699.00		140,816.00	86,768.00	$227,584.00
ST. LOUIS N.	1,297.24	57,492.85	1.27						$58,791.36					23,356.63	3,872.81	27,229.44	31,561.92	$58,791.36
ST. LOUIS S.	27,037.10	31,142.10	50.00	57,609.27				313.30	$116,151.77		2,362.35	370.42		72,001.72	2,283.59	77,018.08	39,133.69	$116,151.77
SWIFT	152.87			149,029.87	7,025.20	1,243.83		2,545.00	$159,996.77				861.09	55,355.26	2,773.07	58,989.42	101,007.35	$159,996.77
TODD	478.80	114,627.04	20.00	130,590.08			2,340.00	4,800.00	$252,855.92		2,442.40	937.36		120,411.39	10,353.90	134,145.05	118,710.87	$252,855.92
TRAVERSE	810.76	212,392.95	50.00		19,509.14				$232,762.85	288.38			423.41	75,388.84		76,100.63	156,662.22	$232,762.85
WABASHA	7,656.07	254,695.04	20.00	297,276.28		1,987.02		4,231.84	$565,866.25		3,014.38	277.87	470.12	321,344.54	2,997.66	328,104.57	237,761.68	$565,866.25
WADENA	4,098.99	49,150.63	200.00	180,990.65	13,553.36	1,970.32			$249,963.95	807.54	409.68	1,101.03	1,111.76	148,950.34	922.85	153,303.20	96,660.75	$249,963.95
WASECA	42,049.59	6,445.18		14,378.62	16,623.32		18,550.00		$98,046.71			1,992.00	532.78	30,466.78		32,991.56	65,055.15	$98,046.71
WASHINGTON	395,713.53		50.00	87,500.00	67,063.25				$550,326.78		15,502.08	1,988.91	1,236.44	228,595.30	20,866.27	268,189.00	282,137.78	$550,326.78
WATONWAN	68,126.11			136,472.52	67.57		12,156.98		$216,823.18			237.49		104,095.17		104,332.66	112,490.52	$216,823.18
WILKIN	3,565.42	108,716.49	30.00	70,000.00	8,029.30	930.94			$191,272.15					27,965.67		27,965.67	163,306.48	$191,272.15
WINONA	262,626.05	186,834.95		50,000.00					$499,461.00			30,877.40	938.90	150,588.50	5,784.45	188,189.25	311,271.75	$499,461.00
WRIGHT	184,147.31	78,000.00			331.18		58,752.63	50.00	$321,281.12		4,814.00			56,167.01		60,981.01	260,300.11	$321,281.12
YELLOW MEDICINE	16,641.95	81,659.00		254,870.66	443.78	2,564.97	1,355.00		$357,535.36				2.18	139,750.98		139,753.16	217,782.20	$357,535.36
TOTAL	$7,115,674.27	$9,890,057.71	$1,902.77	$8,211,823.94	$510,950.20	$66,292.70	$347,968.79	$131,297.24	$26,275,967.62	$465,808.87	$143,195.43	$142,607.64	$28,192.39	$12,529,558.62	$383,663.20	$13,740,026.15	$12,532,941.08	$26,272,967.23

Conservation
Orderly Development
Self-Government

NACD news&views

May/June 2002

www.nacdnet.org

The National Association of Conservation Districts

Farm Bill Passed–Major Victory for Conservation Districts

NACD and conservation districts have been rewarded for three years of hard work with the passage of the 2002 Farm Bill. The landmark legislation, the Farm Security and Rural Investment Act of 2002, accomplishes districts' three main goals: to increase funding for current conservation programs; to provide for the technical assistance to deliver these programs; and to create a new conservation incentives program to assist producers in becoming better stewards of their land.

The act's nearly $13 billion conservation title increases mandatory spending for conservation by a whopping 80 percent above current levels over the next 6 years. These new resources will be a tremendous boost to producers in helping them conserve and protect natural resources on the nation's 1.3 billion acres of private working lands.

"This is one of the most significant pieces of conservation legislation to come along in many years," said Read Smith, president of NACD. "Conservation districts have worked long and hard to help make this legislation the best-ever for conservation. We are thrilled that our goals have been realized in this important bill."

At News & Views press time, the Farm Bill , conference report H.R. 2646, passed the House on a 280 141 vote, Senate adoption of the bill quickly followed with a 64-35 margin. The bill now heads to President Bush to be signed into law.

Since the last edition of *News & Views*, the conference committee on the Farm Bill began the long, sometimes contentious process of reconciling the differences between the House-passed and Senate-passed Farm Bill. The conference committee, chaired by House Agriculture Committee Chair Larry Combest (R-19th/TX), began meeting in early March. It was apparent that a good deal of negotiations would be needed for the House and Senate conferees to come to consensus on several major issues, including packer ownership of livestock, country of origin labeling and commodity payment limitations.

During this period, NACD's Legislative Committee, Farm Bill Implementation Team (FBIT) Principal Legislative Contacts (PLCs), officers and government affairs staff spent considerable time focusing Farm Bill conferees' attention on the need for a strong conservation title that includes a nationwide conservation incentives program and full funding in the Farm Bill for technical assistance for all its conservation programs. In addition, the timing of the annual NACD Spring Legislative Conference couldn't have been better, occurring while the conference committee was working, allowing conservation leaders from all across the nation to come to Washington, DC, to push for these provisions.



NACD President Read Smith with Senator Tom Harkin (D-IA) and Congressman Frank Lucas (R-OK), champions of conservation in the Farm Bill.

The NACD officers spent a substantial amount of time traveling on behalf of conservation districts' interest in the Farm Bill. They convened meetings of the FBIT to discuss strategies for seeking the best possible conservation title. They met with Bush administration officials, Farm Bill conferees, as well as stakeholder groups. The association also went on record with several letters to the Farm Bill conference committee urging them to support a conservation incentives program and full technical assistance funding.

The legislative committee and PLCs responded, in many cases overwhelmingly, to the action alerts issued by NACD. The alerts called upon grassroots members to contact their members of Congress at key junctures and were intended to push the legislative process along. The many grassroots members are to be commended and congratulated for a job well done. NACD staff also worked to keep the chain of communication flowing between Farm Bill conference happenings and conservation leaders around the country. Further, staff maintained continuous contact with congressional staff as Farm Bill talks took place, even late in the evenings and on weekends.

The effort put forth by the conservation districts' grassroots system in the final months of the Farm Bill debate made a tremendous difference in passing a strong conservation title. Working together, NACD, state and local district leaders and partners helped set into place one of the most significant pieces of conservation legislation in many years.

Please see pages 4-5 of this edition of *News & Views* for more information on key provisions of the Farm Bill conservation title.



NRCS Chief Bruce Knight

Bruce Knight Appointed as New NRCS Chief

On May 6, Bruce Knight became the 11th chief of USDA's Natural Resources Conservation Service. Knight's arrival comes at a momentous time as the agency prepares to usher in a new era of conservation programs initiated through the 2002 Farm Bill.

The timing is not lost on Knight who says his new role "presents a unique opportunity to take people to the next generation of Farm Bill conservation programs."

He adds, "The new Farm Bill is sending a clear signal that producers and society are willing to invest in conservation."

Singling out the inaugural Conservation Security Program (CSP), a new incentives-based program for producers who put conservation measures on their land, Knight says, "The CSP is a whole new way of looking at things. It is a new policy but at the same time is fundamental to why NRCS and the conservation districts were originally formed. An incentives program represents common sense conservation to support private working lands."

See KNIGHT on page 6



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Annual Spring Legislative Conference: Translating Policy into Action

In mid-March, nearly 300 conservation leaders from all across the nation were in Washington, DC, to participate in the 2002 NACD Spring Legislative Conference and promote conservation districts' legislative and policy priorities with top decision-makers. The timing of this year's conference couldn't have been better as Congress continued work on the highly anticipated Farm Bill. The conference agenda was packed with key congressional and administration officials responsible for developing the country's private lands conservation policies and programs.

Conference-goers participated in sessions that included messages from top administration officials, including Interior Secretary Gale Norton and USDA Deputy Secretary Jim Moseley, and timely information on the Farm Bill and appropriations. The conference agenda also incorporated educational presentations on how to effectively influence Congress from home and discussions on NACD's three-year grassroots development strategy.

NACD and conservation district leaders had the opportunity to weigh in with Farm Bill conference leaders in support of the two top priorities for conservation districts in the final Farm Bill: a strong conservation title that provides full funding for the cost of technical assistance; and a stand-alone, formula-driven conservation incentives program for private working lands. This message resonated throughout the conference.

During a Farm Bill panel that was part of the second general session, key Hill staff voiced a similar message that House and Senate conferees want to increase the federal commitment to conservation on private working lands.

NACD President Read Smith's challenge to the group was to spend this crucial time in Washington, DC, urging their congressional leaders to support these two top priorities in the final Farm Bill package. He closed the conference by saying no matter what we come out with, we will have significantly more than what is in place today and we will move to the next phase of implementing these new and expanded programs.

A First for NACD: Secretary of Interior Addresses Legislative Conference

For the first time ever, the current US Department of Interior (DOI) Secretary addressed Spring Legislative Conference-goers. Gale Norton informed them of several new initiatives designed to provide incentives for private landowners to protect and enhance wildlife habitat, especially for the benefit of threatened or endangered species. One initiative, included in the President's budget request, is a new Cooperative Conservation Initiative that, if funded, would provide $100 million in challenge grants to be awarded competitively by the Bureau of Land Management, Fish and Wildlife Service and National Park Service to help landowners, communities and state and local governments build and restore working landscapes for wildlife on public and adjacent private lands.

Norton's message was strong that the department is seeking opportunities to work with people, like those from conservation districts, who have the "local knowledge" necessary to make important resource policy decisions. Over the past several months, Norton has worked hard to promote Interior's four C's message—"communication, cooperation, consultation—all in the service of conservation."

As a follow up to Norton's visit, NACD leaders met with senior DOI officials on how conservation districts can work more closely with the department's agencies and how they can involve stakeholders more in their decision making process. (See related story on page 3.) USDA Deputy Secretary Jim Moseley also caught the attention of meeting participants with the powerful message that his "interests are exactly the same" as conservation districts. He said his strong conservation ethic came from being on a farm since childhood with his father and grandfather.

Moseley said that more significant resources will be going into conservation programs than ever before with this new Farm Bill and USDA is gearing up for its implementation. USDA understands the challenges of what it's going to take to put these programs on the ground and will look to NACD and conservation districts to assist in this effort. His belief is that the essential principle behind successful implementation of the new Farm Bill should be decision-making from the ground level.

Additional speakers on the program included USDA Undersecretary Mark Rey, NRCS Chief Pearlie Reed, Forest Service Chief Dale Bosworth, key congressional agriculture and appropriations committee staff, as well as stakeholder groups.



Secretary of the Interior Gale Norton addresses attendees at NACD's Spring Legislative Conference.

Closing Reception a Hit

A reception to end a day of Hill visits by conservation leaders marked a successful close to this year's conference. Senate Agriculture Committee Chair Tom Harkin (D-IA) was on hand to accept NACD's 2002 Distinguished Service Award. In his remarks, Harkin thanked all the conservation district leaders for their support of a new conservation incentives program. He assured the group that he would push hard for his Conservation Security Program, as well as full funding for technical assistance to deliver the Farm Bill conservation programs.

Congressman Frank Lucas (R-6th/OK), Chairman of the House Agriculture Conservation, Credit, Rural Development and Research Subcommittee, wrapped up the session by saying, "It is because of the work of the conservation districts around the country that conservation is such a high priority in current Farm Bill discussions." He called attention to the Grassland Reserve Program and the Small Watershed Rehabilitation Program funding, which he has championed throughout the Farm Bill process. Finally, Lucas urged the group to look beyond the passage of the Farm Bill to the need to build support for funding the programs fully.



Photos, clockwise: Senator Tom Harkin accepts award from Read Smith; Forest Service Chief Dale Bosworth speaks with Roland Geddes; legislative conference attendees mingle during break; question and answer session following a presentation; Congressman Frank Lucas at closing reception; and Senator Harkin greets Jose Dodier following his address at reception.

When Congress Works from Home

The following is a schedule of when members of Congress will be working in their home states and districts for the remainder of 107th Congress:

Memorial Day Recess:
May 27th-31st

Fourth of July Recess:
July 1st-5th

August Recess (House):
July 29th-September 3rd

August Recess (Senate):
August 5th-September 2nd

Target adjournment for House and Senate:
October 4th

District and NACD Leaders Open Doors at Department of Interior

Western Coalition Focuses on Endangered Species

On March 19, conservation leaders from the Western Coalition of Conservation Districts, an organization of the Western state and territory associations working together within NACD, met with senior level Interior Department officials to discuss, among other topics, endangered species issues. The group met with Judge Craig Manson, Assistant Secretary for Fish and Wildlife and Parks, Paul Hoffman, Deputy Assistant Secretary - Fish and Wildlife and Parks, Steve Williams, U.S. Fish and Wildlife Service Director and Gary Frazier, Assistant Director of the Service's Office of Endangered Species. Manson, who served the past five years as General Counsel for the California Fish and Game Department, told the group that Interior wants to move in the direction of ecosystem planning as the basis for species recovery as opposed to single species planning. He also stated that the department is currently working to improve the Endangered Species Act's (ESA) Section 7 consultation process to make it function cooperatively with states as it was originally intended.

The group also discussed how districts can work cooperatively with the Fish and Wildlife Service at the state and local levels to foster better understanding of both species and landowners' needs. Since there is little likelihood that the ESA will be slated for reauthorization anytime soon, discussion focused on the many administrative changes that could be made to change implementation of the law. For example, Western Coalition leaders noted that a major improvement to the ESA would be to allow states to design, control and implement functionally equivalent, state-specific programs for endangered species recovery planning and critical habitat designation.

Western Coalition leaders attending the meeting included New Mexico Alternate NACD Board Member Cyle Sharp and Association Executive Director Debbie Hughes, Wyoming Alternate Board Member Olin Sims, Oregon Association 2nd Vice President Johnny Sundstrom, Washington Association Vice President Wade Troutman and NACD Director of Programs Eugene Lamb.

NACD Officers Invite Partnership with Land Agencies

NACD President Read Smith, President-elect Gary Mast, CEO Ernie Shea and Lamb also met with top Interior officials on April 17 to discuss ways to more closely partner with departmental agencies. Meeting with FWS Director Williams, NACD's officers talked about ways to expand and strengthen the memorandum of understanding signed between NACD and FWS three years ago and possibly extend it to the state level. They also discussed the possibility of establishing an official liaison between the agency and NACD.

In a meeting later that day with Bureau of Land Management Director Kathleen Clarke and BLM National Program Liaison Gayle Gordon, the same NACD group discussed pending implementation of the President's Cooperative Conservation Initiative (CCI), which was proposed in his fiscal year 2003 budget request. The CCI will offer opportunities for districts and their cooperators to work cooperatively with BLM, as well as other Interior agencies, to build and restore working landscapes for wildlife on public and adjacent private lands. Both meetings hold the promise of building stronger working relationships with these important land management agencies.

Ag Appropriations on Hold

Over recent weeks, NACD went on record with several appropriations subcommittees whose jurisdictions cover many of the programs conservation districts' support and use to apply conservation on the ground. These subcommittees continue to hold agency hearings on President Bush's budget requests and priorities. Mark ups of the three top spending bills NACD will be tracking—Agriculture, Interior and Veterans Affairs/Housing and Urban Development/Independent Agencies (VA/HUD)—have yet to be scheduled. A mark up is the process through which a committee or subcommittee analyzes a piece of legislation section by section and makes changes as necessary. NACD testimony can be found online at http://www.nacdnet.org.

In its agriculture testimony, NACD recommended full funding for the Farm Bill conservation programs based on the completed bill. The agriculture appropriations subcommittees are not expected to begin marking up the fiscal year 2003 bill until the Farm Bill is passed.

In related news, Congress did not meet the April 15 deadline for passing a budget resolution for this year that would guide spending and provide appropriations committees with direction on how much money would be available to fund federal departments, agencies and initiatives. Therefore, leadership in both chambers will likely give appropriations committees some overall guidance and the differences will be worked out in the appropriations process during conference time between the Senate and House.

Legislation of Note

Drought

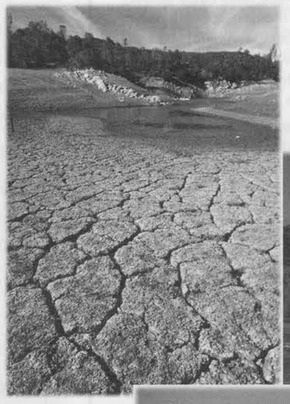
Senator Pete Domenici (R-NM) is spearheading an effort in the Senate to build cosponsors for legislation that would address national drought issues. The pending bill would establish a National Drought Council, consisting of representatives from a wide range of federal departments and agencies, as well as stakeholder groups. A representative from conservation districts would be eligible to serve on the council.

The measure, the National Drought Preparedness Act, would provide an excellent opportunity for state and local conservation district leadership to enhance drought monitoring, mitigation and relief nationally. NACD is working with the Interim National Drought Council, of which the association is a member, to promote this legislation and seek cosponsors. The interim council will also be seeking members in the House to introduce companion legislation.

Brownfields

Earlier this year, President Bush signed the Small Business Liability Relief and Brownfields Revitalization Act into law, reforming the major hindrance to brownfields cleanup—the federal Superfund law. Brownfields are abandoned, contaminated industrial sites and the bill provides liability protection for prospective purchasers, contiguous property owners and innocent landowners. The legislation also authorizes increased funding for state and local programs that assess and clean up brownfields. This will be a major funding initiative this year for the Environmental Protection Agency and one that may be an opportunity for districts, especially in urban areas.

In related news, another brownfields bill is making its way through the House. The Brownfields Redevelopment Enhancement Act, H.R. 2941, cleared the Financial Services Committee in April and will likely move to the House floor soon. The bill would provide block grants through the Department of Housing and Urban Development and simplify the process of getting money to local communities to clean up brownfield sites.







Sediment and Nutrient Monitoring

The Upper Mississippi River Basin Act, introduced in December 2001 by Congressman Ron Kind (D-3rd/WI), was adopted by a House Resources Committee panel in late March. The bill, H.R. 3480, would direct the U.S. Geological Survey to conduct a study of the sediment and nutrient levels and identify their sources through a monitoring program in the upper Mississippi River Basin. The measure was adopted by voice vote in the full House in April and will now move to the Senate, where it will be taken up by the Environment and Public Works Committee.



The *New* Farm Bill–A Giant Step for Conservation

The 1985 Farm Bill brought about a tremendous change in the nation's agricultural conservation policy. Not since the Soil Conservation and Domestic Allotment Act of 1935–the law that created the Soil Conservation Service and eventually led to the establishment of conservation districts–had Congress set forth such a sweeping conservation policy for the nation's farms and ranches. For the first time, farmers and ranchers were required to develop and implement conservation plans to protect highly erodible cropland if they wanted to receive USDA farm program benefits. Producers were also prohibited from draining wetlands in order to plant crops if they wanted to keep receiving program payments. In addition to these "conservation compliance" and "swampbuster" provisions, the act established the Conservation Reserve Program, which provided producers with annual "rental payments" to retire highly erodible and other sensitive lands from production and establish protective cover on them.

In the 17 years since those landmark provisions were enacted, two more Farm Bills–the 1990 Food, Agriculture, Conservation and Trade Act and the 1996 Federal Agricultural Improvement and Reform Act–have fine-tuned these two provisions and added a number of new incentive-based initiatives to encourage producers to put more conservation on the landscape. The recently completed 2002 Farm Bill marks another milestone for conservation in the Farm Bill.

Not only does the six-year Farm Security and Rural Investment Act of 2002 extend the existing conservation programs and add several new ones, it increases funding for those programs through the Commodity Credit Corporation (CCC) by a huge 80 percent over current levels. It also includes separate forestry and energy titles, as well, both with significant conservation components.

Below, you'll find brief overviews of each of the Farm Bill's conservation programs, with descriptions of the new programs and changes made by the 2002 act.

Technical Assistance

The six-year bill provides CCC funding for all technical assistance for each of these programs from within their own program accounts. This was one of conservation districts' top priorities in the debate leading up to the enactment of the new Farm Bill. With the programs paying for their own technical assistance, NRCS will be able to continue using its Conservation Technical Assistance Program (CTAP) to provide basic conservation assistance to all producers and not be forced to divert basic program resources to implement the Farm Bill conservation programs.



The Farm Bill also authorizes producers to obtain and be reimbursed for additional technical assistance provided by sources other than NRCS. Referred to as third-party technical assistance, the Secretary may enter into contracts directly with public and private third-party providers, including conservation districts, or provide vouchers to producers to pay them. All public and private third-party technical assistance providers must be certified by USDA.

Conservation Security Program

The 2002 Farm Bill establishes a new Conservation Security Program (CSP) to be carried out through NRCS and funded through the CCC at $2 billion. The purpose of the CSP is to provide incentive payments to producers who adopt and/or maintain conservation practices on private working lands. Eligibility for the program includes all producers and all agricultural lands, including specified areas of forestland associated with farming and ranching operations. Producers may choose from one of three tiers of conservation practices and systems, with the more complex and comprehensive tiers receiving higher incentive payments. CSP contracts are from five to 10 years. Contract payments will be based on five, 10 and 20 percent of a national rental rate per acre. Maximum annual payments for Tiers I, II and III are $20,000, $35,000 and $45,000, respectively. In addition to incentive payments, producers will receive cost-share assistance to install practices, annual practice maintenance fees and potentially a "Secretary's" bonus to encourage participation in the program.

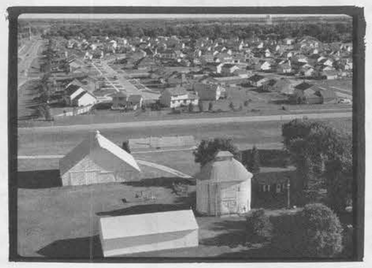
Conservation Reserve Program

The act extends the Conservation Reserve Program (CRP) and increases the program's acreage cap from 36.4 million to 39.2 million acres at a cost of $1.517 billion over current spending. It also provides equal priority for erosion control, water quality and wildlife habitat and allows for 30-year contracts for hardwood trees. The six-state Farmable Wetlands Pilot Program, which allows producers to enroll small acreages of wetlands in fields in the CRP, is extended to all states with a cap of one million acres. The act also incorporates both the Conservation Reserve Enhancement Program and the CRP Buffer Initiative into the statute. Haying and grazing may now be carried out on CRP lands under a conservation plan, with reduction in annual rental payments.



Environmental Quality Incentives Program

The 2002 Farm Bill extends the Environmental Quality Incentives Program (EQIP) and ramps up program funding by $5.8 billion over six years. It also allows for contract periods of one to 10 years, as opposed to five and 10-year contracts under the former authorization. Maximum EQIP contract payments are also increased to $450,000 over the life of contracts regardless of the number of contracts a producer has. The new law also removes the prohibition of providing cost-share for large, confined animal feeding operations, splits annual funding 60/40 between livestock producers and non-livestock producers and removes the authority for the Secretary to designate priority areas.



A new provision in EQIP also establishes a national water conservation program to provide cost-share and incentives for ground and surface water conservation in all states.

Wildlife Habitat Incentive Program

The Wildlife Habitat Incentive Program (WHIP), which provides cost-share payments to landowners to develop upland wildlife, wetland wildlife, threatened and endangered species, fish, and other types of wildlife habitat, is extended with total CCC funding of $360 million over six years. WHIP will operate using 30-year and permanent easements.



Farmland Protection Program

The Farmland Protection Program (FPP), which cost shares with states the purchase of conservation easements to protect agricultural land from conversion to other uses, is extended through 2007 with total funding of $597 million. The federal share of easement costs remains limited to 50 percent. Any highly erodible land enrolled in the FPP must be protected under a conservation plan. Of the funds made available annually, $15 million will be used for organic farming research.

Conservation of Private Grazing Land

The new law incorporates the Conservation of Private Grazing Land (CPGL) Program into the amended Farm Bill, and maintains the $60 million annual funding authorization. The program, which is to be carried out through conservation districts, is not funded through the CCC, but is subject to the annual appropriations process.

Small Watershed Rehabilitation Program

The Small Watershed Rehabilitation Program, enacted as part of the Grain Standards and Warehouse Act of 2000, is funded through the new Farm Bill at $275 million. The program provides funding for the rehabilitation of aging small watershed impoundments as part of a review of watershed projects that have been constructed over the past 50 years and are now in need of repair, upgrading or de-commissioning. The act also authorizes an additional $325, subject to the appropriations process.

New Conservation Funding in the Farm Bill

PROGRAMS	2002	2003	2004	2005	2006	2007	Total (in millions)
FPP	50	100	125	125	100	97	$597
EQIP	400	700	1,000	1,200	1,200	1,300	$5,800
WHIP	15	30	60	85	85	85	$360
SWRP	0	45	50	55	60	65	$275
Water Conservation	25	45	60	60	60	60	$310
AMA	0	20	20	20	20	20	$100

	Total (in millions)
CRP*	$1,517
WRP*	$1,500
CSP*	0
GRP*	$254

* Funding levels for the Conservation Security Program will depend upon producer sign-up and the amount of acreage enrolled. Annual funding for the CRP and WRP will depend on the amount of acreage enrolled each year. The increased acreage caps for CRP and WRP will result in overall funding increases of $1.517 billion and $1.5 billion over the next six years. Two million acres are to be enrolled in the GRP at a cost of up to $254 million. No annual acreage or funding target is specified in the Farm Bill. In addition to the mandatory funding for SWRP, the Farm Bill provides for annual authorizations for appropriations totaling $325 million through 2007.

Total $12,913 million

Grassland Reserve Program

The Farm Bill establishes a new, CCC-funded, two million-acre Grassland Reserve Program (GRP), which will use permanent and 30-year easements and 30-year rental agreements to restore and protect grasslands. Total funding for the program is $254 million. Of the two million acres to be enrolled in the program, 500,000 acres are to be reserved for tracts of native grassland 40 acres or less. GRP lands must have an NRCS-approved conservation plan, which may allow grazing and haying or mowing after the nesting and chick-rearing season. Restoration costs are cost-shared up to 75 percent. Payments for permanent easements and rental agreements will be based on the fair market value of the land, less its grazing value.





Wetlands Reserve Program

The new Farm Bill extends the Wetlands Reserve Program (WRP), which provides cost-share and/or easement payments to producers for restoring and enhancing cropped wetlands. It permits the enrollment of 1.2 million additional acres, bringing the WRP acreage cap up to 2.275 million acres. This will represent a $1.5 billion increase in funding over current levels.

Resource Conservation & Development Program

The act provides permanent authorization for the Resource Conservation and Development (RC&D) Program with the number of areas capped at 450, which is the limit under former law. It also writes into the law many of the roles and responsibilities of RC&D Councils that were formerly only in program rules. The RC&D Program is not funded through the CCC, but is subject to the annual appropriations process.

Other

The act provides authority for the Secretary of Agriculture to carry out a Conservation Innovation Grants program to stimulate innovative approaches to leveraging federal investment in environmental enhancement and protection. Title II also provides continued funding of $50 million for the Agriculture Management Assistance (AMA) Program, which provides EQIP-type assistance in states traditionally underserved by Farm Bill programs.

It also establishes a Conservation Corridor Demonstration Program to be carried out in the states of Delaware, Maryland and Virginia. USDA's share of any project is limited to 50 percent.

In addition, the Farm Bill allows the National Natural Resources Conservation Foundation to use, license or transfer symbols, slogans and logos of the Foundation for commercial use. Any revenue generated under this authority is to be transferred to NRCS's Conservation Operations account.

The act directs the Secretary to transfer $200 million in CCC funds to the Interior Department's Bureau of Reclamation for the purpose of providing water to at-risk natural desert terminal lakes, found primarily in Nevada and California.

The act also prohibits the Secretary (and other federal agencies) from releasing information on conservation plans except in aggregate form. Lists of owners/operators/ producers and amounts of USDA funds they receive(d) are considered public information.

Forestry

The stand-alone Forestry Title (VIII) provides CCC funding for a new cost-share program that replaces and expands the purposes of the Stewardship Incentives Program and the Forestry Incentives Program. The new Forest Land Enhancement Program (FLEP), to be carried out through state foresters, will provide financial, technical, educational and related assistance to state foresters to help nonindustrial private forest landowners address a variety of multiple forestry resource objectives. The program is funded at $100 million over six years.

The Forestry Title also authorizes the Secretary to work with state foresters to enhance community fire protection and establishes the Community and Private Land Fire Assistance Program, funded at $210 million through 2007, to focus the federal role in firefighting and educate communities on fire prevention.

Energy

The Farm Bill also contains its first-ever Energy Title (IX), which is targeted toward promoting energy efficiency and the use of renewable fuels. The act provides CCC funding for USDA's Bioenergy Program, which enables the Secretary to make payments to bioenergy producers who purchase agricultural commodities for the purpose of expanding production of biodiesel and fuel grade ethanol.

The Next Steps

Now that this landmark piece of legislation has been adopted, NACD's attention will turn to helping to ensure that conservation programs authorized in the bill are properly developed and implemented. To help guide NACD's efforts in this area, President Read Smith has established a special committee composed of association officers, committee chairs, representatives of affiliate entities, plus others as needed, to gather and communicate district views on implementation issues. The committee will be chaired by NACD President-elect Gary Mast.

The committee's key areas of focus will include the development of rules and regulations, coordination with state and local programs and initiatives, strengthening locally led conservation processes and tools, coordination with technical service providers, information and education needs, training issues and needs, recruiting implementation partners, marketing and roll out of programs and other issues related to the successful implementation and integration of the programs.

Keeping Informed

As of press time, a number of details in the Conservation, Forestry and Energy Titles were still being analyzed. NACD staff will provide in-depth analyses of the provisions as our review is completed. Watch for these details and analyses on NACD's Web site beginning in early June at www.nacdnet.org.

Some photos courtesy of the NRCS Photo Library.

KNIGHT from page 1

Knight is no stranger to farm bill conservation programs–while serving on the staff of former Senate Majority Leader Bob Dole (R-KS), he worked on the development of the conservation title of the 1996 Farm Bill.

Knight is enthusiastic about his new charge, and says that he brings to the job "fresh ideas, youthful vigor and a unique combination of political and farm policy savvy." He knows the farmer perspective, as well–Knight took time out from putting the finishing touches on rotation paddocks for his South Dakota farm to talk to NACD.

Reiterating his strong belief in a conservation ethic, Knight cites that he has crafted a career in working on conservation issues. He points out that he practices his beliefs, noting that most of the ground on his farm is under no till and that he is currently in the process of transferring most of his pasture land into a rotational grazing system.

Knight speaks enthusiastically about the partnership between NRCS and conservation districts. His familiarity with districts comes mostly from his experience in working in Washington, DC. "I am impressed with the powerful voice districts have had on policy on the Hill," says Knight. He sees conservation districts as uniquely fusing technical expertise with political skill to accomplish their conservation goals.

"I have a world of respect for conservation districts," he says, pledging to work closely with districts and to maintain an open door policy during his tenure. "I plan to listen–to hear solutions and resolutions to conservation policy," Knight says.

Knight recognizes the "tremendous strong legacy of competent folks" who have preceded him as NRCS Chief. At the same time, he looks ahead to the many new challenges and new opportunities on his doorstep.

Knight comes to NRCS from the National Corn Growers Association (NCGA) where, as vice president of public policy, he directed the association's legislative and regulatory strategies, managed their Washington, DC, lobbying staff, and coordinated government relations programs with NCGA's Saint Louis headquarters. Before joining NCGA, Knight worked for the National Association of Wheat Growers. In addition to working for Senator Bob Dole, Knight's Hill experience also includes service as legislative assistant to representative Fred Grandy (R-IA) and Senator James Abnor (R-SD).

Knight grew up in Gann Valley, South Dakota, and is a graduate of South Dakota State University, where he earned a bachelor's degree in general agriculture, animal science and economics. He lives in Fairfax, Virginia, with his wife, Julie and their two children, Katherine and Denton.

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Indiana SWCDs–Finding a Seat at the Table

Phase II Stormwater Management Opportunities

Soil and Water Conservation Districts across Indiana, like many other parts of the country, are faced with the challenge of addressing the impacts of a burgeoning urban population on the natural resource base. Soil and water conservation districts (SWCDs) in Indiana have for a number of years recognized that their mission extends to urban areas and entails addressing urban resource issues.

As urban resource management and regulations evolve, Indiana SWCDs have worked to keep step with the changes and to serve as a technical resource in their communities. The current challenge posed to Indiana SWCDs is to define their role in implementing the Environmental Protection Agency's newly-introduced Phase II of the National Pollutant Discharge Elimination System (NPDES) program.

The NPDES program, authorized by the Clean Water Act, regulates point source discharges into U.S. waters. Phase I, put into effect in 1990, addresses sources of stormwater runoff with the greatest potential to negatively impact water quality–medium and large facilities, systems and construction sites. Phase II, now coming on line, expands the Phase I program by including smaller urban areas of stormwater discharge. The Indiana Association of Soil and Water Conservation Districts and the Indiana Department of Natural Resources Division of Soil Conservation are working with state SWCDs to examine opportunities for them to participate in the program as plans are drawn to implement this new phase.

Indiana SWCDs have an established history of involvement in stormwater management. Since 1992, many of Indiana's SWCDs and the Division of Soil Conservation have, through a partnership agreement with the Indiana Department of Environmental Management (IDEM), had a clear and effective role in field level implementation of Phase I of their state's NDPES program. Through their partnership with IDEM, districts and the Division of Soil Conservation perform plan reviews, site inspections and prepare enforcement referrals through state construction site stormwater quality regulations. According to Randy Braun, Program Chief for the Indiana Department of Natural Resources Division of Soil Conservation, "Phase I work has been a very cooperative effort between the state and the SWCDs to deal with construction site stormwater issues."

Some of this is about to change, however, as Phase II is put into effect. In Indiana, approximately 170 communities and counties (designated areas referred to as Municipal Separate Storm Sewer Systems or MS4s) have been identified under Phase II and now must develop and implement comprehensive stormwater management plans. Once the program in place, stormwater management responsibility will be transferred from IDEM to the MS4s. Districts who currently provide construction plan review or site inspection assistance under agreement with IDEM are not guaranteed a continuation of this role in counties or municipalities designated as MS4s.

MS4s have already begun discussions on the requirements of Phase II and how their programs will be implemented. Districts are being encouraged to begin a dialog with MS4s to get involved in the planning process. Districts have much to offer these local municipalities and counties and can put their considerable expertise to work in may different capacities. According to Braun, Phase II represents new opportunities for districts to play a role in the pollution prevention, construction site runoff and educational components of the program. But Braun stresses that, with discussions just underway, districts must act now to make contact with MS4 decision makers. "Now is the time for districts to get a seat at the table," says Braun.

EPA's NPDES Phase II program is a nationwide program, and as such, will present similar challenges and opportunities for many districts across the country. Indiana is one example of how conservation districts are gearing up to help implement the program in their state.



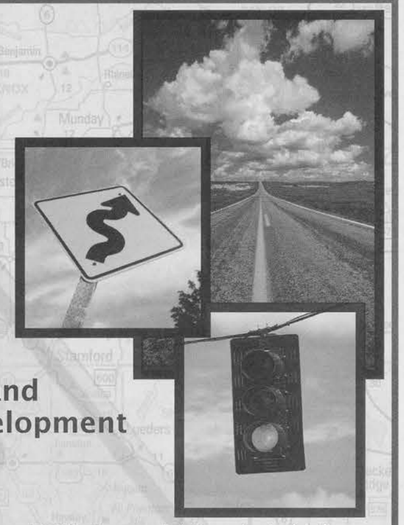
EPA has a series of fact sheets and other information on NPDES and the Phase II program on their Web site at http://cfpub.epa.gov/npdes. In addition, NACD's Urban Community and Coastal Resources Committee is seeking resources to gather information and provide training and networking opportunities for conservation districts regarding the Phase II program. For more information on this effort, contact Deb Bogar, NACD staff advisor to the Urban Community and Coastal Resources Committee by phone at 303/988-1893 and by e-mail at Deb-Bogar@nacdnet.org.

Road Map for the Future

NACD's Strategic Plan

NACD's Board of Directors has set a bold new course for the association through its adoption of a strategic plan. The plan, formally released during the association's 56th Annual Meeting held this February in Reno, outlines the road map NACD will follow in addressing district priorities over the next three to five years. It contains five overarching objectives and includes outcomes and performance measures that can be used to assess progress.

The January/February issue of *News & Views* featured an introduction to the strategic plan; subsequent issues will focus on one of each of the five major objectives set forth in the plan.



Objective 2: Build and Enhance the Capacity of Districts and State Associations Including Leadership Development

Outcome:
Each district delivering conservation programs locally, and increasing its effectiveness and capacity

Performance measures:
- Implemented in each district
- Increased programs, products, services and authorities implemented in each district in collaboration with state associations and state conservation agencies
- Increased support and greater commitment of state associations and state agencies for providing program and leadership development activities for districts

Outcome:
Representation on district boards is reflective of the communities they serve

Performance measures:
- Capacity Building curriculum and workshop developed on recruitment of board members
- Boards reflect the diversity of the community served

Outcome:
Identification and development of leadership

Performance measures:
- Training activities on leadership development
- Mentoring program
- Youth leadership development programs
- Effectiveness in influencing legislation
- State leadership development programs
- Increased district capacity

Outcome:
All state associations functioning more effectively

Performance measures:
- Provide models, examples and case studies of effective association management
- Each state association had increased its programs, products and services to member districts

Stay Informed!
Check out the NACD Web site for the latest information.
www.nacdnet.org

NACD Contributions

based on March 31, 2002 financial reports

NACD QUOTA



NACD LEGISLATIVE FUND



AN EYE TO EDUCATION

by Ellen Hutto, NACD Conservation Education Manager

Education is the key to helping people understand the importance of conservation. Conservation districts across the nation are meeting the conservation education challenge by developing effective public outreach programs with landowners, business and local officials, and educators. NACD is also working on this front at the national level. NACD's Education Committee has developed a long term conservation education strategic plan that includes active partnerships with other organizations who also promote conservation education. One of these longtime partners is the USDA Forest Service.



The Forest Service has partnered with NACD through support of the Canon Envirothon, North America's largest environmental education competition. They also appoint members to serve on NACD's education and stewardship advisory committees.

This year, an exciting partnership opportunity came about with the selection of the 2002 Stewardship Week theme, "The Gift of Trees."Ann Loose, director of the Forest Service Conservation Education Program, who serves as a member of the stewardship advisory committee, was instrumental in the development and promotion of the 2002 materials. NACD distributed sample stewardship packets to all conservation education coordinators and the Forest Service leadership distributed letters and informative articles to state and field offices in an effort to encourage participation in the event and to promote cooperation with their local conservation district.

Working through partnerships allows NACD to extend its outreach to new audiences.The Forest Service Conservation Education Program, for example, supports the education of teachers, students and adults of all ages. In 2000, more than 32 million people were directly and indirectly reached by nearly 400 employees working within their Conservation Education Program. By tapping into their network through partnership opportunities, NACD expands its impact. More information is available on the Forest Service Web site at http://www.na.fs.fed.us/spfo/ce/.

Forest Service Chief Dale Bosworth wrote the foreword for the 2002 stewardship booklet that supports the "Gift of Trees" theme. In it he reminds us that, "A man does not plant a tree for himself; he plants it for posterity." His letter and other stewardship week information may be viewed on the NACD Web site at http://www.nacdnet.org/pubaff/stewardship/2002/FSletter.htm.

NACD Editorial

Opportunities on the Horizon

After nearly three years of debate and discussion, we at last have a new Farm Bill. And, from a conservation perspective, it's no doubt the best-ever Farm Bill. The bill's conservation title marks an 80 percent increase in spending over previous levels, energizing existing programs and launching a bold new initiative in the Conservation Security Program–a concept championed by conservation districts for decades. As conservation district leaders and officials, you have much to be proud of for the significant role you played in crafting this huge step forward in private working lands conservation.

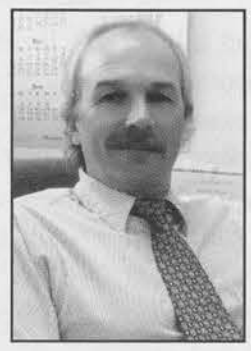
Now that we–and our partners–have accomplished much of what was on our agenda in reauthorizing the Farm Bill, the real work begins. Conservation districts will have a major role in implementing these expanded and new programs. We, as district officials, have the potential to translate the increased funding in the Farm Bill into more funding and resources for your district. But *we* have to do it–by getting involved and making sure the programs are truly locally led and responsive to our local needs.

What can we do? We can move quickly to organize local work groups to identify resource objectives and set priorities that are important to our communities. We know what conservation measures are needed and what works best in our districts. We can and need to encourage producers to participate and get more conservation on the landscape. We can step up to the role of approving conservation plans to make sure they address the objectives and priorities we set locally. No one else can fill these roles as effectively as we can and by doing so, we can make these programs ours.

Guest Viewpoint

Ray Beck

The Task That Lies Ahead



As I am writing this, it appears the Farm Bill is about to be put to a final vote. What a long haul it has been. However, if everything holds, the rewards are going to be great for our natural resources and conservation partners.

NACD deserves a lot of credit for the success of this piece of legislation. We thank you for your efforts. I'm glad to see NACD didn't have to stand alone - there was a strong partnership that worked tirelessly. I'm pleased that our organization was part of the effort that moved the Farm Bill along. Now the job needs to be finished.

The National Association of State Conservation Agencies (NASCA) and individual state conservation agencies are looking forward to working with our traditional partners and to bringing non-traditional partners into the implementation effort. The passage of the Farm Bill provides an opportunity for good cooperation. We need to take this seriously. Not often, but occasionally, we get what we ask for. Now we need to make it happen.

Soon the Farm Bill work will begin at the state level and it will be significant. Many of you have attended the third party vendor listening sessions. There is no way all the work resulting from the Farm Bill will be accomplished without a successful third party vendor effort. Without seeing the final version of the Farm Bill, we are not sure state executive agencies will be allowed to act as third party vendors. Many state executive agencies and conservation districts have a great deal of experience in providing technical assistance to implement soil and water conservation programs and individual projects and they are willing to step up to the plate. NASCA believes state conservation agencies and local conservation districts should have the lead role in providing third party support of NRCS programs. It just makes good sense to have the state agencies that currently provide critical financial and technical support to conservation districts, directly involved in federal programs.

To accomplish the tremendous task of implementing new Farm Bill programs, state executive agencies are going to need support. NASCA has formed a membership committee to better address state-agency needs. We have formed a legislative committee so we can be more effective on legislative matters and more active with our partners in addressing legislation. The organization will hold a "futures planning session" this summer to determine our association's direction. NASCA also has formed a committee to explore options for representation in Washington, D.C. We recognize that we have grown to the point that we need to become better organized and focused if we are to address the rapidly growing natural resource issues at the state and national levels.

Again, on behalf of NASCA, I want to congratulate NACD and the partnership for your efforts in getting a quality Farm Bill passed. Everyone can be very proud of what we have accomplished.

Ray Beck is president of the National Association of State Conservation Agencies and administrator of the Conservation and Resource Development Division, Montana Department of Natural Resources and Conservation.



Read Smith
NACD President

A Job Well Done

As we move from the development phase to the implementation phase of the Farm Bill, I would like to take a moment to reflect on these past three years. This has been a monumental, collective and cooperative effort by NACD. Kudos to our members and staff that provided constant guidance and support, and to our partners who were there day in and day out supporting the effort. Many allies we worked with–farm organizations, commodity groups, conservation and wildlife groups, livestock organizations and many, many others–helped develop the vision and the policy that have now become law.

This all started some three years ago when the NACD leadership was sitting around a board table discussing current events. Recognizing the upcoming national effort to replace the farm bill that expires in October of 2002, and the possibility–due to the horrific agriculture economy–that it might even be sooner than that, we decided to ***act***. President Rudy Rice asked me to chair the NACD Farm Bill Task Force and the effort had begun.

Most of you were asked, directly or indirectly, to participate. We experienced the ultimate test of our young legislative network and we learned many things about our strengths and weaknesses. We will be a more effective change agent because of this effort. The real heroes of this effort are the district officials, district staff and partners who weighed in with the members of Congress on many occasions throughout this process. We recognize that not all states were as effective as others, but each of them are at a higher level now than three years ago. We plainly see where we need to work on our system, and NACD leadership is committed to providing the necessary tools to our Legislative Committee, the Principal Legislative Contacts in each state and our staff to become even better at one of our strategic plan priority areas: legislative activities.

Our work is not done. We are currently planning the NACD role in the implementation process. I intend to use our resource committee chairs and the other selected members of an implementation team to look at rules making, education and other unfinished work along with our USDA partners. Thank you for your help. Without you, none of what we try to do will happen. Stay engaged–our work is not done.

Read Smith

NACD news&views

Read Smith, NACD President
Gary Mast, First Vice President
Bill Wilson, Second Vice President
Tim Reich, Secretary-Treasurer
Ernest C. Shea, Chief Executive Officer

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Darlene Robbins, Editor
darlene-robbins@nacdnet.org

Communications Office
509 Capitol Court, NE
Washington, DC 20002-4946
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