

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD N.
LOWER LEVEL BOARD ROOM
ST. PAUL, MINNESOTA 55155
WEDNESDAY, JUNE 27, 2018**

BOARD MEMBERS PRESENT:

Jill Crafton, Jack Ditmore, Kathryn Kelly, Tom Landwehr, DNR; Tom Loveall, Nathan Redalen, Tom Schulz, Steve Sunderland, Gene Tiedemann, Gerald Van Amburg, Paige Winebarger, Shannon Lotthammer, MPCA; Chris Elvrum, MDH; Neil Peterson, Patty Acomb

BOARD MEMBERS ABSENT:

Rich Sve, Joe Collins, Neil Peterson, Susan Stokes, MDA; Duane Willenbring

STAFF PRESENT:

John Jaschke, Angie Becker Kudelka, Hannah Pallmeyer, Mary Juhl, Jenny Gieseke, Cathy Seurer, Jeremy Olson, Dusty Van Thuyne, Dave Rickert, Al Kean, Melissa Lewis, Marcey Westrick, Tim Fredbo, Dave Weirens, Tim Koehler, Kevin Bigalke, Les Lemm, Travis Germundson, Celi Haga

OTHERS PRESENT:

Jeffrey Berg, MDA
Emily Javens, MAWD
Sheila Vanney, MASWCD
Jennifer Berquam, AMC
Brian Martinson, SMSBC
Josie Lonetti, MFB
Jamie Beyer

Chair Gerald Van Amburg called the meeting to order at 9:10 AM

PLEDGE OF ALLEGIANCE

****** **ADOPTION OF AGENDA** - Moved by Patty Acomb, seconded by Kathryn Kelly to adopt the agenda as presented. ***Motion passed on a voice vote.***
18-26

****** **MINUTES OF THE MARCH 28, 2018 BOARD MEETING** – The board asked for an update on the Sherburne County comprehensive local water management plan. Sherburne County did update their plan. There was an edit to page 8 of the minutes to reflect that no hearings were requested for the boundary change. Moved by Nathan Redalen, seconded by Chris Elvrum, to approve the minutes of March 28, 2018, as amended. ***Motion passed on a voice vote.***
18-27

****** **MINUTES OF THE MAY 23, 2018 BOARD MEETING** – Moved by Jack Ditmore, seconded by Chris Elvrum, to approve the minutes of May 23, 2018, as circulated. ***Motion passed on a voice vote.***
18-28

PUBLIC ACCESS FORUM

No members of the public provided comments to the board.

CONFLICT OF INTEREST DECLARATION

Chair Van Amburg read the statement:

“A conflict of interest, whether actual, potential, or perceived, occurs when someone in a position of trust has competing professional or personal interests and these competing interests make it difficult to fulfill professional duties impartially. At this time, members are requested to declare conflicts of interest they may have regarding today’s business.”

INTRODUCTION OF NEW STAFF

- Mary Juhl
- Cathy Seurer
- Dusty Van Thuyne

Chair Van Amburg and the board welcomed the new staff to BWSR!

REPORTS

Chair & Administrative Advisory Committee – Chair Gerald Van Amburg reported that he attended the Environmental Quality Board (EQB) meeting on June 20th to talk about strategic planning. The EQB also discussed nitrate levels in drinking water and the environmental score card. Water reuse is an emerging issue that the EQB is learning about, in conjunction with the Minnesota Department of Health. MDH has put together a report on this topic that is available online. Frank Kohlasch from the MPCA provided a presentation about nutrient reduction and climate, similar to the presentation previously given to BWSR. June 20-22nd was the annual meeting and tour of the Minnesota Association of Watershed Districts. June 20th had a tour on the Minnesota River, followed by a bus tour in the Carver County area on June 21st and meetings on June 22nd. The Legislative Water Commission met in conjunction with the MAWD meeting on June 21st. Chair Van Amburg appreciated the MAWD staff, including Emily Javens, Executive Director, for the work that went into planning that event.

Chair Van Amburg stated that he is proud of the hard working board and staff of BWSR. The Administrative Advisory Committee met the morning before the board meeting and will have a committee recommendation regarding Working Lands later in the meeting. The committee also addressed the performance review of the Executive Director, under the leadership of Chair Van Amburg and Vice Chair Schulz. The performance review of the Executive Director was tremendous. The performance review is confidential and can be reviewed by board members during the lunch break. Chair Van Amburg expressed appreciation for board members and Senior Management who filled out evaluations. The committee also discussed that BWSR has not had any new board members appointed by the Governor yet, and that there may be some committee reshuffling based on new board members.

Audit and Oversight Committee – Chair Gerald Van Amburg reported that the committee met on June 26th to discuss a few items, including the audit that was conducted by the Office of the Legislative Auditor (OLA). The committee discussed corrective actions and the audit committee will have regular meetings with necessary staff and leadership over the upcoming months to discuss these actions to ensure that necessary internal controls and oversight are in place. Chair Van Amburg and Executive Director John Jaschke will draft a letter responding to the audit. The board discussed the findings and the importance of documenting decisions. There was a similar audit conducted around 2007, which resulted in the creation of the Audit and Oversight Committee. Chair Van Amburg emphasized that there was no fraud or malfeasance in the spending of resources.

BWSR spends 83% of the budget on grants and easements, and there were no findings found for this. Executive Director Jaschke provided a few examples about the importance of consistent coding. BWSR will prioritize having staff check that codes are being used consistently. Another issue is about splitting costs using two constitutional funds, and the importance of having a system that allows adjustments to costs to be made while using two funds, and having that information be shared with the state payment system, SWIFT. Board members appreciated the staff's assistance in explaining the audit and next steps to the board, and will be kept informed going forward. There was also discussion that the audit was kept confidential by the OLA until this month, and so that is why we are discussing the audit at this time.

Executive Director's Report - John Jaschke provided a legislative update to the board. The Governor vetoed the omnibus bill that contained policy provisions about watershed coordination and a funding extension for the Working Lands program that will be discussed later on the agenda. The bonding bill was signed by the Governor, with one line item veto. There will be an update on proposed CREP changes later in the agenda. John Jaschke appreciated the time that Gene Tiedemann has been on the board, as this is his last board meeting. John Jaschke attended a meeting of west central SWCD managers last week, and had good discussions at that meeting. The packet was reviewed with the board.

Dispute Resolution Committee - Travis Germundson provided an update to the board. File 11-1 has been resolved, so for the first time, there are no pending appeals before the board.

Grants Program & Policy Committee - Steve Sunderland reported that the committee met on June 5 and have five items later in the agenda.

RIM Reserve Committee - Gene Tiedemann reported that the committee met on June 13th and have four items later in the agenda.

Water Management & Strategic Planning Committee - Jack Ditmore reported that the committee has not met since the last board meeting and have no future meetings scheduled at this time.

Wetland Conservation Committee - Tom Schulz reported that the committee has not met since the last board meeting and have no future meeting scheduled at this time. There will be a report about Section 404 assumption later in the agenda.

Buffers, Soils & Drainage Committee - Kathryn Kelly reported that the committee met and will have agenda items in future board meetings.

Drainage Work Group (DWG) - Tom Loveall reported that the DWG met on June 14th. Al Kean reported that MDA and Renville County have developed a work-around for the county not being able to be a direct borrower of AgBMP Loans funds for ditch buffer strips required by a redetermination of benefits and damages. There was a discussion of legislative outcomes at the DWG meeting. The DWG recommendations were not passed in 2018. DWG recommendations will continue to be discussed with drainage authorities and legislators. The goal is for the recommendations to be reintroduced in the 2019 legislative session. Al Kean reminded the board that the recommendations are consensus-based. The board talked about the role of viewers.

Chair Gerald Van Amburg recessed the board at 10:34am and called the board back to order at 10:45am.

COMMITTEE RECOMMENDATIONS

Grants Program and Policy Committee

Local Water Plan Status and Grant Eligibility Policy – Melissa Lewis presented the policy. The intent of this draft policy is to provide clear and consistent direction for grantees and potential grantees on how the status of their local water plan impacts BWSR decision on grants and grant payments and clarity on if plan status can impact grant payments. The Local Water Plan Status criteria in this policy are consistent with the criteria used historically with the Clean Water Fund competitive program as is the application of the policy to competitive grants. The application of the policy to noncompetitive grants by not executing grants unless a plan is current is consistent with past practice; however, the policy documents the practice and adds a timeline - 6 months in which BWSR reserves right to cancel an award. The policy clearly exempts Disaster Recovery Assistance and Technical Service Area funding. The policy was drafted by the internal Grants Team and reviewed by Senior Management Team before being presented to the Grants Program and Policy Committee (GP&P) on June 5, 2018. GP&P recommended approval of the policy to the board.

An oral amendment was proposed to the policy to clarify that watershed-based funding grants will have their eligibility determined through watershed-based funding policy.

**
18-29 Moved by Tom Schulz, seconded by Steve Sunderland, to approve the Local Water Plan Status and Grant Eligibility Policy, with an oral amendment to the policy. ***Motion passed on a voice vote.***

Revised Grants Monitoring and Reconciliation Policy – Melissa Lewis presented the policy. This policy was revised in response to modifications to the Department of Administration's Office of Grants Management (OGM) Policies 08-08 and 08-10. The changes to OGM policies allow a granting agency with multiple grants of similar grant periods with the same grantee to choose - through a documented risk assessment - which grant(s) represent a sample that will receive monitoring and financial reconciliation. The revisions to the BWSR policy allows for sampling grants subject to reconciliation consistent with the OGM policies, but continue to require monitoring all grants annually. The result of the revision is that BWSR will not need to request future exceptions to OGM policies. The draft board order also documents that additional FY 2016 grants and prior do not need to be reconciled because

these grants were identified as part of a 2016 Office of Grants Management Exception, and the terms of this Exception have been met (note that the order the Grants Program and Policy Committee reviewed referred to FY 2015 grants - this was a typo and should have read FY 2016 and prior). This policy was revised by the agency's Grants Monitoring Work Group and reviewed by the Grants Team. Senior Management Team reviewed the proposed revised policy on April 10, 2018 and recommended approval to the Grants Program and Policy Committee (GP&P). The GP&P recommended approval at their June 5, 2018 meeting.

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18-30 Moved by Steve Sunderland, seconded by Kathryn Kelly to approve the Revised Grants Monitoring and Reconciliation Policy. **Motion passed on a voice vote.**

Executive Director John Jaschke discussed the OLA finding on the process to address conflict of interests for board members. BWSR board members are appointed by the Governor and are responsible for making their own decisions on when to vote. BWSR staff are meeting with the Office of Grants Management to address this concern. Members are aware of their responsibility to make a decision about their ability to vote. No members identified a perceived or potential conflict of interest for grant items on today's agenda. One member, Tom Loveall, identified an actual conflict of interest for the CREP agenda item and will not vote on that agenda item.

Fiscal Year 2019 Buffer Law Implementation Grants – Melissa Lewis presented the grants program. The recommended allocations are consistent with the previous year. Senior Management Team reviewed the recommendations on April 10, 2018 and recommended approval to the Grants Program and Policy Committee (GP&P). The GP&P reviewed the recommendations at their June 5, 2018 meeting and recommended approval of the order to the board.

**
18-31 Moved by Tom Landwehr, seconded by Paige Winebarger, to approve the board order authorizing the FY2019 Buffer Law Implementation Grants. **Motion passed on a voice vote.**

Fiscal Year 2019 Local Capacity Grants Program – Melissa Lewis presented the grants program. The purpose of this action is to allocate the \$100,000 SWCD Local Capacity Grants. This action will also allocate the matching grants consistent with past grants, with the exception of a new deadline for counties to provide documentation of support by January 15, 2019. Per statutory changes, Ramsey Conservation District will be dissolved effective July 1, 2018 and will be absorbed into Ramsey County. Senior Management Team reviewed the recommendations and recommended approval to the Grants Program & Policy Committee (GP&P). The GP&P reviewed the recommendations on June 5, 2018 and recommended the order to the board.

This grant follows the SWCD grants policy that was adopted by the board in the last few years that covers the funds allocated from the Clean Water Fund and General Fund. The matching amount was determined using 2016 numbers of what SWCDs received from counties and sorting them into tiers. For SWCDs who were not allocated a lot of resources from their counties in 2016, they were offered more resources for the match this year.

**
18-32 Moved by Steve Sunderland, seconded by Kathryn Kelly to approve the board order authorizing the FY2019 Local Capacity Grants, with an oral amendment to the board order. **Motion passed on a voice vote.**

FY 2019 Clean Water Fund Implementation Program Policy and the FY2019 Clean Water Fund Competitive Grants Program authorization – Marcey Westrick presented the program policy and authorization. The Clean Water Fund Policy is reviewed and approved annually. For FY2019, the policy will apply to Accelerated Implementation, Minnesota Department of Health Well Sealing, Multi-purpose Drainage Management, and Projects and Practices funding.

The changes in this policy from the previous year include:

- Reorganized for consistency with the organization of the Watershed Based Funding policy
- The FY18 Buffer Cost Share section has been removed
- 1. Reference to the Plan Status and Grant Eligibility Policy has been included.
- 3.7 New section on drinking water to better recognize drinking water in the appropriation language.
- 3.9a Criteria that was previously noted in the RFP has been moved to the policy itself.
- 3.10a Lake draw down was added as a specific in-lake treatment.
- 3.10b Reorganized to first explain the practice of using incentives (and add “mitigate risk”) and then the duration. Duration was modified to allow incentives other than 3 years with BWSR approval, and the approval was shifted from Executive Director to Assistant Director of Regional Operations.
- 4.3, 4.4, 4.10 New ineligible activities that needed to be specifically included in the policy.
- 4.12 Modified to reflect land acquisition ineligible unless specifically allowed.

In addition to approving the policy, the board order also would authorize the fiscal year 2019 Clean Water Fund Competitive Grants Program. Grants Program and Policy Committee reviewed this recommendation on June 5, 2018 and recommended the attached policy and order to the board.

The board discussed ineligible policies, including that funding could not be used to construct wastewater treatment facilities.

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18-33 Moved by Chris Elvrum, seconded by Tom Loveall, to approve the board order authorizing the FY19 Clean Water Fund implementation program policy and grants program. ***Motion passed on a voice vote.***

RIM Reserve Committee

Carruthers / Schmidgall RIM Easement Alteration (61-03-98-01) – Tim Fredbo presented the easement alteration request. Evan Carruthers is requesting a release of 24 acres from RIM easement 61-03-98-01, and proposes to replace with 48 acres under a totally new easement on land owned by Tom Schmidgall. Easement 61-03-98-01 is currently a 91 acre MN River CREP riparian easement, where the USDA CRP contract expired in 2014. The RIM easement is perpetual and the State paid the original landowner \$33,300.52. Mr. Carruthers purchased this land under the RIM easement on Dec. 9, 2016.

Mr. Carruthers and Mr. Schmidgall have worked cooperatively to propose this alteration and have received approval from both the Pope SWCD and the DNR Area Wildlife Supervisor, Kevin Kotts, as required by RIM Rule and Policy. These approvals are both contained in the included Carruthers support documents that were distributed to the board. Since work to alter this easement will necessitate both an amended easement for Carruthers and a new easement for Schmidgall, the landowners have sent \$1,000 for the required BWSR processing fee.

The 48 acre Schmidgall land being offered as replacement is less than a mile away, and in the same Township and watershed, and would also be considered riparian land if the State were to put it under easement. The 48 acres meets our 2:1 replacement acreage ratio required by BWSR's Easement Alteration Policy. This replacement land in Section 30 is currently in CRP, according to the Pope SWCD. Tom Schmidgall is also the current operator of the land owned by Carruthers in Section 8, and it is clear in the boundary proposed for release, with its half circle pattern, that center pivot irrigation of the property is planned. This will most likely necessitate removal of the trees that are between the north boundary of easement 61-03-98-01 and the road to the north. See Appendix A map in the attached supporting documents. If the State were to approve of this proposed alteration request, BWSR would have to treat this land being enrolled as replacement as a new application for RIM.

There was discussion by the board about the precedence this alteration could have for future decisions. The board also discussed which land would be released from the easement and which land would be added. There was a discussion by the board if this alteration request would be in the best interest of the public, due to extra irrigation and the inclusion of land in RIM that may otherwise not be eligible. The board was interested if additional information about groundwater was available. Groundwater issues were not brought up at the committee, instead the committee looked at it from a conservation perspective. There is some well testing that has occurred by the Department of Agriculture in this county.

**
18-34 Moved by Gene Tiedemann, seconded by Tom Loveall, to approve the easement alteration. ***Motion passed on a voice vote.***

Christensen RIM Easement Alteration (24-08-01-01) – Tim Fredbo presented the easement alteration request. The Christensen family is seeking to improve an existing farm access field road along the edge of the easement they originally enrolled into a MN River CREP easement in 2001 to provide an adequate driveway access for a new home their son plans to build. The new homesite is not on the easement, but the current field road that provides access is. They proposed to widen the lane and provide drainage and gravel to gain acceptable year round access for passenger vehicles. Due to other ownership and residences around this site, this option provides the only reasonable access. The 20 ft. x 600 ft. strip they proposed for release is already being used to access easement and non-easement lands to the north and the grass cover has been degraded somewhat.

To replace the released 0.25 acres the owners propose to add 0.55 acres of new cropland adjacent to the current easement boundary and just to just to the east. This is shown on the map as proposed RIM exchange land, that was included in the supporting documents provided to the board. The map also shows the locations of these areas in relation to the current RIM easement boundary.

Both the Freeborn SWCD and the MN DNR Wildlife Specialist are in full support of this request. Their recommendations are also included in the supporting documents.

The board clarified what land would be exchanged. There was discussion about how conservation would be impacted if there is development on the property, even with the proposed house site not being located on the RIM easement. There is already a field road on the property.

The landowner is responsible for paying \$500 for the easement alteration request, but board members were concerned about the additional cost to BWSR for processing these requests. There was a

suggestion that, in the future, staff explore establishing a fee to pay for the costs for BWSR and LGU staff to process the easement alteration request. Another idea would be to have additional factors considered when the Board looks at easement alteration requests. There is also a concern that being too inflexible may be a limit for people to sign up for the program.

**
18-35 Moved by Gene Tiedemann, seconded by Jill Crafton, to approve the easement alteration. **Motion passed on a voice vote.**

Bruce Levos RIM Easement Alteration (07-05-99-03) – Tim Fredbo presented the easement alteration request. Bruce Levos originally placed this land into a RIM Reserve easement in 1999. The 22.3 acre easement is riparian floodplain land adjacent to the Le Sueur River. The cropland was in a USDA CRP contract at the time of enrollment, which expired in 2012. Mr. Levos also donated 5.5 acres of existing woodland into his RIM easement when he enrolled.

In 2008 or 2009, Mr. Levos made a small addition to his vineyard on land that he did not realize was in the RIM easement. Mr. Levos assumed his RIM boundary was further west, and since the easement boundary had never been staked in the field by the SWCD, this slight 0.3 acre incursion into the easement went undetected until this past year when looked at in ARCmap GIS by Blue Earth SWCD staff for a required site inspection. When Mr. Levos was contacted by the SWCD about this issue, his offer to make amends for this mistake is the current request to change his easement boundary.

Mr. Levos is requesting a release of 0.81 acres from within the current easement and is proposing to replace this with 3.43 acres of land currently in CRP. Map C in the supporting documents shows the locations of these areas in relation to the current RIM easement boundary. The landowner is proposing this change to keep the boundary simple, as it follows the tree line to the west of the 0.81 acre release area. This proposal is a replacement ratio of four to one, and takes more floodprone land permanently out of crop production.

Both the Blue Earth SWCD and the MN DNR Wildlife Specialist are in support of this request, as required by RIM rule and policy.

The board discussed if it is common for CRP land to go into RIM easement, and staff responded that it is.

**
18-36 Moved by Gene Tiedemann, seconded by Jill Crafton, to approve the easement alteration. **Motion passed on a voice vote.**

Chair Gerald Van Amburg recessed the board at 12:03pm and called the board back to order at 12:20pm.

MN Conservation Reserve Enhancement Program (MN CREP) 2018 Adjustments – Dave Weirens, Tim Koehler, and Dave Rickert presented the CREP program adjustments. BWSR staff have been approving MN CREP landowner applications for the past 12 months submitted by Soil and Water Conservation Districts (SWCD). In April 2018, BWSR staff held four MN CREP Engagement meetings to seek input from SWCDs throughout the project area. The purpose of these meetings was to provide SWCDs with an opportunity to share the feedback they've been hearing from landowners on what aspects of the MN CREP are working well, and where adjustments are needed. A number of comments related to payment rates associated with a permanent easement program like RIM as a part of MN CREP.

Staff proposed to continue utilizing the guidance in previous Board resolutions related to Standard Easement Payment rates (13-109) and Present Value (17-35). The most significant change that the RIM Reserve Committee recommended would be to establish a RIM incentive along with a process to approximate the value of two times the Continuous Conservation Reserve Program (CCRP) payment, which is what landowners often use as their alternative to a permanent easement. In addition, it is proposed to apply this incentive and payment process to funded MN CREP applications that have not had the RIM easement recorded. In limited situations it is also proposed to allow RIM-only as a part of a MN CREP application to make the easement area more manageable and to provide greater benefits to the landowner and the resources.

All of these proposals have been discussed twice with the RIM Reserve Committee and the committee recommended approval to the full board.

There was discussion among the board about if more payment could be made up front, and that will not be changed. With the increase in payment rates, there was discussion about how this might impact the amount of acres enrolled. That is unclear, as rates are also dependent on the type and location of land enrolled. MDH and the MN Rural Water Association are working in collaboration with BWSR on wellhead priority areas. There may be a proposal in the future to create a subcategory of the program specifically to look at wellhead priority areas.

**
18-37 Moved by Gene Tiedemann, seconded by Jill Crafton, to approve the CREP program adjustments. ***Motion passed on a voice vote.*** Tom Loveall abstained from the vote due to a declared conflict of interest.

Shannon Lotthammer, Chris Elvrum, and Gene Tiedemann left the meeting at 12:58pm.

Central Region Committee

Isanti County Comprehensive Local Water Management Plan – Kevin Bigalke presented local water management plan. Isanti County (County) has updated their Comprehensive Local Water Management Plan (Plan) as authorized under Minnesota Statutes, section 103B.301, the Comprehensive Local Water Management Act. The initial step in the update process, the Priority Concerns Scoping Document (PCSD), was completed and the State’s official comments were communicated to the County in a letter dated May 25, 2016. On March 30, 2018, the BWSR received the Plan, a record of the public hearing, and copies of all written comments pertaining to the Plan for final state review pursuant to Minnesota Statutes, section 103B.315, subd. 5. State agency review comments were received from MDA, BWSR, and MPCA. The County has responded to all comments received and incorporated appropriate revisions to the final draft. The state agencies recommended that BWSR approve the entire Plan Update as submitted.

The priority concerns to be addressed in the final Plan were deemed to be appropriate and no changes were recommended or required. These priority concerns included the following: 1) Ground water quantity and quality, 2) Surface water quantity and quality, 3) Land use, and 4) AIS prevention and management. The County actively engaged citizens, partners and agency representatives in the development of the Plan Update and included measurable and targeted goals and strategies in their implementation program.

BWSR staff completed its review and found that it meets the requirements of Minnesota Statutes, section 103B.314. The Plan:

- focuses on the priority concerns identified in the PCSD;
- assesses the priority concerns and sets forth appropriate goals and objectives;
- provides an implementation program with measureable actions, timeline and budget; and
- includes all required sections.

On June 7, the Central Regional Committee met with County representatives and BWSR staff to review and discuss the Plan. The Committee's decision was to recommend approval of the Isanti Comprehensive Local Water Management Plan update to the full Board.

**
18-38 Moved by Kathryn Kelly, seconded by Nathan Redalen, to approve the Isanti County Comprehensive Local Water Management Plan. ***Motion passed on a voice vote.***

Riley Purgatory Bluff Creek Watershed District Watershed Management Plan – Kevin Bigalke presented the watershed management plan. The District recently underwent an extensive prioritization process with their Creek Restoration Action Strategy (CRAS) which developed a mechanism to compare stream conditions in the watershed to guide implementation and created an adaptive approach to update the CRAS to incorporate new information as it is collected in the future. The work that went into the development of the CRAS has significantly informed the 2018-2027 Comprehensive Water Resources Management Plan (Plan).

The District led a thorough public engagement process with community meetings, their Citizens Advisory Committee, their Technical Advisory Committee, and their Board of Managers. The process identified the following thirteen goals:

1. Operate in a manner that uses District resources and capacity efficiently and effectively while advancing the District's vision and goals.
2. Collect data and use the best available science to recommend and support management decisions.
3. Design, maintain, and implement Education and Outreach programs to educate the community and engage them in the work of protecting, managing, and restoring water resources.
4. Plan and conduct the District's implementation program to most effectively accomplish its vision with consideration for all stakeholders and resources.
5. Include sustainability and the impacts of climate change in District projects, programs, and planning.
6. Implement the District's regulatory program to protect water resources from further degradation, enhancing resources when possible.
7. Support Carver and Hennepin County to operate effectively as Ditch Authorities.
8. Protect, manage, and restore water quality of District lakes and creeks to maintain designated uses.
9. Preserve and enhance the quantity, as well as the function and value of District wetlands.
10. Preserve and enhance habitat important to fish, waterfowl, and other wildlife.
11. Promote the sustainable management of groundwater resources.
12. Protect and enhance the ecological function of District floodplains to minimize adverse impacts.
13. Limit the impact of stormwater runoff on receiving waterbodies.

The District has also set a goal of the following overarching outcomes for the duration of the plan:

- 41,000 linear feet of streambank, shoreline, ravine and slope stabilization
- 3,200 pounds of phosphorus reduction per year
- 11 acres of habitat restored
- 4.1 million gallons of groundwater conserved per year

The draft Plan is an excellent example of a resource that provides transparency for the District's decision making and will provide value when working with its citizens as well as its partners.

**
18-39 Moved by Jack Ditmore, seconded by Patty Acomb, to approve the Riley Purgatory Bluff Creek Watershed District Watershed Management Plan, with an amended board order to reflect the committee vote. **Motion passed on a voice vote.** Jill Crafton abstained from voting due to a declared conflict of interest.

North Fork Crow River Comprehensive Watershed Management Plan – Kevin Bigalke presented the watershed management plan. In early 2014, the NFCR planning partners joined together to submit a nomination to participate as a pilot One Watershed, One Plan and were selected by the BWSR Board later that year. After their selection, partners started the plan development process in early 2015. The original members established a Memorandum of Agreement between the planning partners for the purposes of writing a Comprehensive Watershed Management Plan in early 2015 and added McLeod County and McLeod SWCD in January 2016. The Plan partners or North Fork Crow River Watershed Planning Partnership (NFCRWPP) include McLeod County, McLeod Soil and Water Conservation District (SWCD), Meeker County, Meeker SWCD, Kandiyohi County, Kandiyohi SWCD, Pope County, Pope SWCD, Stearns County, Stearns SWCD, Wright County, Wright SWCD, Middle Fork Crow River Watershed District, North Fork Crow River Watershed District, and the Crow River Organization of Water (CROW). The plan will identify the priority resources and the issues affecting the local entities and describe projects and programs to address those issues in a targeted, measureable way.

Three committees were enacted to help provide guidance and decision-making throughout the planning process. The Policy Committee consisted of one elected or appointed representative from each member organization, excluding CROW. The Policy Committee provided direction, final decision-making on Plan content, and approval of expenses during Plan development. The Advisory Committee contained members representing local partners, State review agencies, federal agencies, and local stakeholders. The Planning Workgroup contained local staff and carried out the majority of the decision making for recommendation to the Policy Committee. The Advisory Committee reviewed comments received during public comment periods, including information gathered from the kick-off meeting and provided recommendations to the Policy Committee and planning Workgroup for final inclusion in the Plan. The Advisory Committee also ensured that the Plan content and planning process followed State requirements. Early in the decision-making process, the planning partners decided to contract with CROW for facilitation and meeting coordination as well as Houston Engineering Inc. (HEI) to assist the committees on the Prioritize, Target, and Measure Application (PTMApp) prioritization model and writing of the Plan.

The content of the NFCR 1W1P follows closely with the State's Clean Water Nonpoint Priority Funding Plan as well as the strategies defined in BWSR's Prioritize, Target and Measure (PTM) guidance. The focus of implementation in the Plan has been informed by two separate prioritization processes:

Zonation, a value based decision making tool, which was facilitated by Minnesota Department of Natural Resources Staff and a survey of priority issues conducted by HEI. Through these methods, the planning partners established the three groups below as their highest priorities. Specific strategies and actions for implementation were developed for each of these.

Highest Priority	Second Highest Priority	Third Highest Priority
“A” Level Priority Concerns	“B” Level Priority Concerns	“C” Level Priority Concerns
<ul style="list-style-type: none"> ▪ Drinking Water (Groundwater) ▪ Lakes ▪ Agricultural Drainage Systems ▪ Surface Runoff 	<ul style="list-style-type: none"> ▪ Streams and Rivers ▪ Groundwater Supplies ▪ Wetlands ▪ Rural Development and Sustainability 	<ul style="list-style-type: none"> ▪ Lake, Shoreland, and Stream Riparian Corridors ▪ Public Knowledge and Behavior ▪ Terrestrial Habitat for Wildlife ▪ Landowner, Producer and Lakeshore Owner Engagement ▪ Urban Stormwater

The NFCRWPP used the PTMApp to estimate feasible locations for management practices and structural BMPs, as well as the associated annual costs and anticipated benefits arising from implementation which has specifically generated a list of the 250 best (most cost-effective and most effective toward load reduction goals) structural practices in each of the seven planning regions.

In addition to identifying the best structural practices for implementation, the NFCRWPP has identified Watershed-Wide Measurable Goals through Land Stewardship. The land stewardship is categorized into three areas: Rural Stewardship, Urban Stewardship and Shoreland Stewardship. By doing so, it both acknowledges that resource goals will not be able to be accomplished solely through structural practices as well as providing an avenue for improvement across all land cover types.

The Plan includes several levels of implementation based on three funding levels. The baseline level is consistent with the current amount of funding (based on 2015 amounts), the moderate level achieves 50% of the resource need and the high funding level is based upon the amount needed to meet the resource goals. The NFCRWPP notes that State and Federal funding increases will be necessary to reach the moderate or high levels.

Implementation of the Plan would be done under a signed Memorandum of Agreement (MOA). The MOA will identify roles and responsibilities of each of the Plan members. The Planning Workgroup anticipates meeting quarterly to review Plan progress, track measurable progress towards ten-year goals, recommend changes to the Plan, and review implementation priorities.

The board discussed groundwater and drinking water in the plan. This is the last of the One Watershed, One Plan pilot projects to seek board approval.

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18-40 Moved by Nathan Redalen, seconded by Paige Winebarger, to approve the North Fork Crow River Comprehensive Watershed Management Plan. ***Motion passed on a voice vote.***

Audit and Oversight Committee

Board Reauthorization of Delegation for PRAP Assistance Grants to Local Government Units – Angie Becker Kudelka presented board reauthorization of delegation for PRAP assistance grants. Board

Resolution #15-37, Board Authorization of Delegation for PRAP Assistance Grants to LGUs, had been approved by the Board in June, 2015 but had outdated references and needed to be updated. This resolution would replace and supersede previous resolutions related to PRAP Assistance Grants. A clarification amendment was offered to clarify that funding is returned *state* cost-share.

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18-41 Moved by Tom Schulz, seconded by Steve Sunderland, to approve the board order reauthorizing delegation for PRAP assistance grants to local governments. ***Motion passed on a voice vote.***

Administrative Advisory Committee

Working Lands Watershed Restoration Pilot Program Development Grant – Dave Weirens presented the grant. In 2016 the Legislature directed BWSR to prepare a plan and feasibility study for a Working Lands Watershed Restoration Program to incentivize the establishment and maintenance of perennial and cover crops. This report was accepted by the Board at the January 24, 2018 meeting and submitted to the Legislature by the February 1, 2018 deadline.

The requirements of the legislative directive were accomplished “under budget,” leaving approximately \$120,000 available from the original appropriation to further the work of this initiative. An extension for these funds was in the Omnibus Appropriations bill that was vetoed by Governor Dayton. Interest remains within BWSR and the project partners to continue this work in advance of the 2019 Legislative session.

Under statute, grant funds may be extended for one year following the expiration date of the appropriation. Stearns SWCD is willing to work with BWSR as a grant recipient to conduct additional program development, research and outreach.

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18-42 Moved by Jack Ditmore, seconded by Kathryn Kelly, to approve the Working Lands Watershed Restoration Pilot Program Development Grant. ***Motion passed on a voice vote.***

OLD BUSINESS

Clean Water Act Section 404 Assumption – Analysis of Retained and Assumable Waters in Minnesota – The “Minnesota Federal Clean Water Act Section 404 Permit Program Feasibility Study” was finalized on January 17, 2017. Board resolution #17-05 was passed on January 25, 2017, outlining the next steps in assessing the feasibility of Section 404 assumption in Minnesota. Those next steps focused on estimating and mapping the approximate extent of assumable and non-assumable waters in Minnesota based on information provided by the U.S. Army Corps of Engineers (according to federal regulations, not all waters/wetlands in a state are assumable, and the Corps is responsible for determining which waters they will retain regulatory authority over). Subsequently, BWSR staff worked with the Corps’ St. Paul District to develop criteria to estimate and map Corps-retained and State-assumable waters and wetlands using a statewide GIS mapping program. The mapping analysis indicated that, with the exception of stream headwaters, there would be very few waters and wetlands for the State to assume and the process to identify them would often rely on case-by-case evaluations that could be complicated and lengthy. The mapping results and additional analysis were incorporated into the “Analysis of Retained and Assumable Waters in Minnesota” report that was finalized on May 3, 2018.

Les Lemm presented the results of the analysis and discussed the current status of assumable waters and Section 404 assumption in Minnesota and nationally. EPA has announced that they will initiate rulemaking to clarify assumable waters.

AGENCY REPORTS

Minnesota Department of Agriculture – Jeff Berg reported on the draft groundwater protection rule and rulemaking process.

Minnesota Department of Natural Resources – Commissioner Tom Landwehr reported that the state was awarded \$850 million in the 3M lawsuit. There are discussions happening about drinking water in the metro. It is expected that the Public Utilities Commission will make a decision on the Enbridge Line 3 later this week, and if the line is deemed as necessary, DNR would review permits for public land that the pipeline would cross. The EQB was petitioned for a discretionary environmental assessment worksheet for a groundwater project in northeastern Minnesota and that decision is currently under consideration.

Minnesota Pollution Control Agency – no report was provided.

Minnesota Department of Health – no report was provided.

ADVISORY COMMENTS

Minnesota Association of Soil and Water Conservation Districts – Sheila Vanney discussed the role of SWCDs in the metro with regards to One Watershed, One Plan. Sheila thanked the board for the discussions about RIM easements and grant policies earlier in the meeting, and thanked Les Lemm for his work on assumable waters.

Minnesota Association of Watershed Districts – Emily Javens reported about the MAWD summer tour that was held last week that several BWSR board members and staff attended. There will be training opportunities provided this summer. MAWD will also be working on conducting outreach, especially on some of their legislative priorities.

UPCOMING MEETINGS

- Next BWSR Meeting is the BWSR Board Tour: August 22 (board tour) and August 23 (board meeting), 2018, near Worthington, MN

Chair Van Amburg adjourned the meeting at 2:07 PM

Respectfully submitted,



Gerald Van Amburg
Chair