A PROFESSIONAL ASSOCIATION

ROBERT C. PEARSON *
ROY J. CHRISTENSEN *
JESSICA L. DURBIN *
DIANA BOUSCHOR DODGE *
JACOB K. STONESIFER *
DARYL T. FUCHIHARA *
SUSAN L. WALDIE *
KARI A. PETERSON

A TRADITION OF TRUST

WRITER'S E-MAIL ADDRESS:

+ OF COUNSEL

* ALSO MEMBER OF

WISCONSIN BAR

\$ MINNESOTA STATE BAR

ASSOCIATION CERTIFIED

LABOR AND EMPLOYMENT

LAW SPECIALIST

KARI A. PETERSON rchristensen@duluthlaw.com

STEVEN J. SEILER + *

STEVEN J. SEILER + *
ROBERT J. ZALLAR +
JOSEPH J. ROBY, JR. + *
ALOK VIDYARTHI +

May 19, 2025

Legislative Citizen Commission on Minnesota Resources (LCCMR) c/o Michael L. Varien, Assistant Director 658 Cedar St. St. Paul, MN 55155 By Federal Express and By Electronic Mail to Michael.varien@lccmr.mn.gov

Dear Mr. Varien:

By this letter our firm's client the Township of Crane Lake ("Town") responds to your email dated May 5, 2025 and requests the LCCMR approve the conveyance of an Environmental Covenant and Easement ("ECE") to the Minnesota Pollution Control Agency ("MPCA") as to the Town property acquired with funds from the Environment and Natural Resource Trust Fund ("ENRTF"). You requested that ten (10) items be included in this letter, which are addressed in turn below.

1) Citation for Interest Acquisition Appropriation

See attached Exhibit A, Ch. 96, Sec. 2, subd. 9(i), Land Acquisition for Voyageurs National Park Crane Lake Visitors Center, pg. 9, highlighted.

See attached <u>Exhibit B</u>, Ch. 6, Art. 5, Sec. 2, Subd. 9(s), Crane Lake Voyageurs National Park Campground; Ch. 6, Art. 6, Sec. 2, subd. 9(n), Crane Lake Voyageurs National Park Visitor Center – Continued; pgs. 76 and 91 highlighted.

2) Original Purchase Information

On November 20, 2017, the Town held a special meeting which authorized purchase of the property. The Town's resolution to purchase was recorded on January 12, 2018 in the St. Louis County Recorder's Office as doc. no. 1325863. On January 12, 2018, doc. no. 1325864, the warranty deed for the subject property was recorded, transferring title to the Town, and in doc. no. 1325865, the property restrictive covenants were recorded.

The restrictive covenants stated that the Town entered into a State Grant Agreement ("Agreement"), No. 3-120002 Minn. Laws 2017, ch. 96, section 2, subd. 9(i), as to the land being purchased by ENRTF monies provided under that Agreement. Having purchased the

800 Wells Fargo Center 230 West Superior Street Duluth, MN 55802



Ph: 218.722.6331 Fax: 218.722.3031

W: duluthlaw.com

Agenda Item: 08b

LCCMR
c/o Michael L. Varien
Assistant Director
May 19, 2025
Page 2

subject property under ENRTF appropriations, the Town then recorded a notice of the funding restrictions. Under Minn. Stat. § 116P.115, then, the land could not be sold, transferred, or further encumbered without the prior written approval of the LCCMR. Crane Lake placed all the relevant information regarding the project on its website, noting that the purchase of the land was for a visitor's center, boat ramp, docks, beach, campground, restrooms, and educational and community space. Exhibit C.

The legal description for the ECE is set forth in <u>Exhibit D</u>. The total purchase price was \$978,505.35, \$950,000 of which came from the appropriations, <u>Exhibit C</u>, and \$28,505.35 from the Town's general fund.

3) Intended Use of Property

When the property was purchased in 2017, the appropriations bill stated that \$950,000 was appropriated the first year "to acquire approximately 30 acres to be used for a visitor center and campground." Exhibit A pg. 9 – highlighted; see also Exhibit C. The campground's revenue would help support the visitor center. Thus, the original intended use was to be a campground and a visitor center, both of which have been realized.

4) Explanation for Easement

There were petroleum discharges into the ground at the property as a result of past operations by a prior owner of the property, a resort. The MPCA investigated, and designated the property as leak site LS18150 in the State record. In fall 2023, the MPCA injected remediation chemicals into the groundwater plume to encourage the breakdown of the petroleum contaminants leftover from the prior resort. The MCPA will close the leak site when the groundwater plume in the area is stable and petroleum contamination decreased to an acceptable level.

Crane Lake intends to grant an access easement to MPCA under the MPCA's Remediation Division Institutional Control Guidance ("Guidance"). Specifically, section 2.5 of the Guidance states that an access agreement is an easement between the MPCA and the property owner which grants the MPCA and its contractors access to the property to "conduct specific activities such as inspections, monitoring, environmental investigations, and installation of vapor mitigation systems or other remedial systems." The MPCA should only need to access the property once annually to conduct groundwater monitoring from its four monitoring wells on the property. Three of the wells are north of the visitor center and one is southwest. The MPCA will also be permitted to seal and remove the above grade portions of the wells once the leak site is closed.

Through the easement, the MPCA will have access to the property to continue monitoring its vapor mitigation system, the leak site, and the brownfield. Monitoring these issues will ensure that the groundwater is not contaminated, either from previous use, or

LCCMR
c/o Michael L. Varien
Assistant Director
May 19, 2025
Page 3

going forward for the duration of the agreement, and further the enjoyment of the site safely by its visitors.

5) Impact on Intended Use

Any impact on the intended use – recreation – is minimal and beneficial. MPCA remediation and monitoring only helps the Town's intended purpose. Monitoring pollution and contamination in an environment such as a lake or woods where people come to camp, hike, swim, and kayak ensures that the region remains in good condition for those future visitors, as well as ensuring all current visitors have pleasant experiences, free from concerns as to pollutants. Therefore, the impact of monitoring the property is positive and should be encouraged.

6) Mitigating Factors

The mitigating factors are predominantly that the easement will not impact the property in any negative way and it is for the benefit of Crane Lake and its visitors by ensuring their safety. Eliminating pollutants or contaminants maintains the nature of Crane Lake. The MPCA has placed only necessary structures or machines (such as the vapor mitigation system) and the MPCA only needs access to ensure that the machines are properly functioning.

7) Description of Proposed Conveyance, including Intended Use

See Exhibit D for full legal description of the 30 acres, and Exhibit E for the draft conveyance. The proposed conveyance will grant MPCA an access easement so they can continue monitoring the existing contamination remediation progress and ensure Crane Lake is safe for visitors now and in the future. The MPCA will not conduct operations on all 30 acres, (the MPCA's physical presence is only where they have monitoring equipment or tagged locations), but to access those locations, the MPCA needs to be able to move around the property, which the easement would grant. Again, the easement would permit the MPCA to monitor contaminants in the area, namely the petroleum, and ensure the levels remain safe for human interaction with the site.

8) Aerial Maps and Description

See attached Exhibit F, showing easement aerial map.

See attached Exhibit G, showing locations of monitoring sites to be accessed.

9) Information re: Brownfield and Environmental Issues

As noted in section 4 above, there is a leak site on the relevant property, labelled LS18150. The MPCA is monitoring the site and corrective actions. The MPCA injected remediation chemicals into the groundwater plume in fall 2023 to accelerate the

LCCMR
c/o Michael L. Varien
Assistant Director
May 19, 2025
Page 4

elimination of the petroleum contaminants, which have been decreasing according to the data.

The property is also a brownfield site, labelled BF2248, which remains active. A brownfield is a site with hazardous or potential hazardous contaminants or pollutants, such as petroleum, in the ground. In the instant matter, the pollutant in the ground was petroleum and a Response Action Plan ("RAP") and Construction Contingency Plan ("CCP") were both implemented. Approximately 100 cubic yards of petroleum contaminated soil were excavated and disposed of off-site, the monitoring well in the footprint of the visitors center was moved, and a vapor mitigation system was installed below the site of the visitors center foundation in 2023. Testing was done in December, 2024 and indicated levels continued to decrease, which was the catalyst for drafting the ECE. As of May, 2025, the test results from the vapor mitigation system were favorable, with no elevated concentrations of contaminants in the indoor air (the visitors center is set for a grand opening on Friday, June 6, 2025). Pressure differential readings also indicated the vapor mitigation system is operating as designed and intended.

The RAP Implementation Report was submitted to the MPCA on May 9, 2025.

In order to continue monitoring the brownfield and leak site, the MPCA needs an easement, which adds environmental conservation to its original intended purpose of recreation. Because of the appropriations used for the funding of the visitors' center, LCCMR must be notified and approve any use change.

10) Draft Easement

See attached Exhibit E.

Please let me know if you have any questions or concerns. We respectfully request that LCCMR approve the grant of the ECE to the MPCA.

Very truly yours,

Roy J. Christensen

My S. Chim

Encl.

W:\25861\001\memo\LCCMR letter.docx

LCCMR c/o Michael L. Varien Assistant Director May 19, 2025 Page 5

EXHIBIT A

Pertinent sections of Ch. 96, Sec. 2, subd. 9(i), Land Acquisition for Voyageurs National Park Crane Lake Visitors Center

Office of the Revisor of Statutes

Office of the Revisor of Statutes

Minnesota Session Laws - 2017, Regular Session

Authenticate PDF

Key: (1) language to be deleted (2) new language

CHAPTER 96--S.F.No. 550

An act relating to natural resources; appropriating money from environment and natural resources trust fund; modifying requirements for receipt of fund money; amending Minnesota Statutes 2016, sections 116P.05, subdivision 2; 116P.08, subdivision 1; 116P.17, subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the environment and natural resources trust fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2017," "2018," and "2019" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2017, June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. Appropriations for fiscal year 2017 are available the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30

<u>2017</u> <u>2018</u> <u>2019</u>

Sec. 2. MINNESOTA RESOURCES

<u>Subdivision 1. Total Appropriation \$ 8,428,000 \$ 50,733,000 \$ 5,089,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions. Appropriations for fiscal years 2018 and 2019 are available for two years beginning July 1, 2017, for fiscal year 2018 appropriations and beginning July 1, 2018, for fiscal year 2019 appropriations, unless otherwise stated in the appropriation. Any unencumbered balance remaining in the first year does not cancel and is available for the second year or until the end of the appropriation. Appropriations for fiscal year 2017 are available until June 30, 2018, unless otherwise stated in the appropriation.

Subd. 2. **Definition**

"Trust fund" means the Minnesota environment and natural resources trust fund established under the Minnesota Constitution, article XI, section 14.

Subd. 3. Foundational Natural Resource Data and Information

2,000,000

7,872,000

<u>89,000</u>

(a) County Geologic Atlases - Continuation

\$2,000,000 in fiscal year 2017 is from the trust fund to the Board of Regents of the University of Minnesota, Minnesota Geological Survey, to continue acceleration of the production of county geologic atlases for the purpose of sustainable management of surface water and groundwater resources. This appropriation is to complete Part A of county geologic atlases, which focuses on the

\$1,500,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the Leech Lake Band of Ojibwe to acquire approximately 45 acres, including 0.67 miles of shoreline of high-quality aquatic and wildlife habitat at the historic meeting place between Henry Schoolcraft and the Anishinabe people. The land must be open to public use including hunting and fishing. The band must provide a commitment that land will not be put in a federal trust through the Bureau of Indian Affairs.

(g) Mesabi Trail Development

\$2,269,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Railroad Authority for engineering and constructing segments of the Mesabi Trail. This appropriation is available until June 30, 2020, by which time the project must be completed and final products delivered.

(h) Tower Trailhead Boat Landing and Habitat Improvement - Phase

II

\$600,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the city of Tower to construct a trailhead and boat landing and restore vegetative habitat on city-owned property. Plant and seed materials must follow the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines. This appropriation is available until June 30, 2020, by which time the project must be completed and final products delivered.

(i) Land Acquisition for Voyageurs National Park Crane Lake Visitors Center

\$950,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the town of Crane Lake, in partnership with Voyageurs National Park and the Department of Natural Resources, to acquire approximately 30 acres to be used for a visitor center and campground. Income generated by the campground may be used to support the facility.

Subd. 10. Administration and Contract Agreement Reimbursement

-0-

1,340,000

-0-

(a) Contract Agreement Reimbursement

\$135,000 the first year is from the trust fund to the commissioner of natural resources, at the direction of the Legislative-Citizen Commission on Minnesota Resources, for expenses incurred for contract agreement reimbursement for the agreements specified in this section. The commissioner shall provide documentation to the Legislative-Citizen Commission on Minnesota Resources on the expenditure of these funds.

(b) Legislative-Citizen Commission on Minnesota Resources (LCCMR) Administration

\$1,200,000 the first year is from the trust fund to the Legislative-Citizen Commission on Minnesota Resources for administration in fiscal years 2018 and 2019 as provided in Minnesota Statutes, section 116P.09, subdivision 5.

(c) Legislative Coordinating Commission Legacy Web site

\$5,000 the first year is from the trust fund to the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Subd. 11. Availability of Appropriations

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the work plan approved by the Legislative-Citizen Commission on Minnesota Resources. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Costs that are directly related to and necessary for an appropriation, including financial services, human resources, information services, rent, and utilities, are eligible only if the costs can be clearly justified and individually documented specific to the appropriation's purpose and would not be generated by the recipient but for receipt of the appropriation. No broad allocations for costs in either dollars or percentages are allowed. Unless otherwise provided, the amounts in this section are available until June 30, 2019, when projects must be completed and final products delivered. For acquisition of real property, the appropriations in this section are available for an additional fiscal year if a binding contract for acquisition of the real property is entered into before the expiration date of the appropriation. If a project receives a federal grant, the time period of the appropriation is extended to equal the federal grant period.

Subd. 12. Data Availability Requirements

- (j) For new lands acquired with money appropriated under this section, a recipient must prepare an ecological restoration and management plan in compliance with paragraph (c), including sufficient funding for implementation unless the work plan addresses why a portion of the money is not necessary to achieve a high-quality restoration.
- (k) To ensure public accountability for the use of public funds, within 60 days of the transaction, a recipient of money appropriated under this section must provide to the Legislative-Citizen Commission on Minnesota Resources documentation of the selection process used to identify parcels acquired and provide documentation of all related transaction costs, including but not limited to appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient must also report to the Legislative-Citizen Commission on Minnesota Resources any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted.
- (l) A recipient of an appropriation from the trust fund under this section must acknowledge financial support from the environment and natural resources trust fund in project publications, signage, and other public communications and outreach related to work completed using the appropriation. Acknowledgment may occur, as appropriate, through use of the trust fund logo or inclusion of language attributing support from the trust fund. Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must satisfy all reporting and other requirements incumbent upon constitutionally dedicated funding recipients as provided in Minnesota Statutes, section 3.303, subdivision 10, and chapter 116P.

Subd. 14. Payment Conditions and Capital Equipment

Expenditures

- (a) All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures made on or after July 1, 2017, or the date the work plan is approved, whichever is later, are eligible for reimbursement unless otherwise provided in this section. Periodic payments must be made upon receiving documentation that the deliverable items articulated in the approved work plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash flow needs or match federal money. The advances must be approved as part of the work plan. No expenditures for capital equipment are allowed unless expressly authorized in the project work plan.
 - (b) Single-source contracts as specified in the approved work plan are allowed.

Subd. 15. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation under this section must use the appropriation in compliance with Minnesota Statutes, section 16C.0725, regarding purchase of recycled, repairable, and durable materials and Minnesota Statutes, section 16C.073, regarding purchase and use of paper stock and printing.

Subd. 16. Energy Conservation and Sustainable Building Guidelines

A recipient to whom an appropriation is made under this section for a capital improvement project must ensure that the project complies with the applicable energy conservation and sustainable building guidelines and standards contained in law, including Minnesota Statutes, sections 16B.325, 216C.19, and 216C.20, and rules adopted under those sections. The recipient may use the energy planning, advocacy, and State Energy Office units of the Department of Commerce to obtain information and technical assistance on energy conservation and alternative energy development relating to planning and constructing the capital improvement project.

Subd. 17. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

Subd. 18. Carryforward; Extension

- (a) The availability of the appropriations for the following projects are extended to June 30, 2018:
- (1) Laws 2014, chapter 226, section 2, subdivision 3, paragraph (d), Evaluation of Wastewater Nitrogen and Estrogen Treatment Options;
- (2) Laws 2014, chapter 226, section 2, subdivision 4, paragraph (b), Bioacoustics to Detect, Deter, and Eliminate Silver Carp;
- (3) Laws 2014, chapter 226, section 2, subdivision 4, paragraph (f), Brown Marmorated Stink Bug Monitoring and Bio-Control Evaluation;
- (4) Laws 2014, chapter 226, section 2, subdivision 6, paragraph (h), Nutrient Capture through Water Management and Biomass Harvesting;

- (5) Laws 2014, chapter 226, section 2, subdivision 7, paragraph (b), Metropolitan Regional Park System Acquisition;
- (6) Laws 2015, chapter 76, section 2, subdivision 3, paragraph (1), Genetic and Camera Techniques to Estimate Carnivore Populations;
- (7) Laws 2015, chapter 76, section 2, subdivision 7, paragraph (c), Building Deconstruction to Reduce Greenhouse Gas Emissions and Solid Waste; and
 - (8) Laws 2015, chapter 76, section 2, subdivision 10, Emerging Issues Account.
 - (b) The availability of the appropriations for the following projects are extended to June 30, 2019:
- (1) Laws 2014, chapter 226, section 2, subdivision 10, paragraph (c), Legislative-Citizen Commission on Minnesota Resources (LCCMR) as extended by Laws 2016, chapter 186, section 2, subdivision 18, clause (8);
 - (2) Laws 2015, chapter 76, section 2, subdivision 7, paragraph (a), Renewable and Sustainable Fertilizers Produced Locally;
- (3) Laws 2015, chapter 76, section 2, subdivision 8, paragraph (h), Improving Community Forests Through Citizen Engagement; and
- (4) Laws 2016, chapter 186, section 2, subdivision 9, paragraph (b), Minnesota Point Pine Forest Scientific and Natural Area Acquisition.

Subd. 19. Fiscal Year 2019 Recommendations

- (a) For fiscal year 2019, the commission shall consider recommending loans from the corpus of the trust fund to statutory and home rule charter cities and towns with a population less than 5,000 as provided in the Minnesota Constitution, article XI, section 14. The commission shall work with the Public Facilities Authority in developing its recommendations. The commission shall include in its recommendations an analysis of using trust fund allocations for grants to the same cities and towns, including any necessary statutory changes.
- (b) Any deadlines established by the Legislative-Citizen Commission on Minnesota Resources for submission of proposals for the commission's fiscal year 2019 funding recommendations are waived until July 15, 2017, for proposals authorized under this subdivision and proposals that the commission recommended for fiscal year 2018 but that did not receive funding.
 - Sec. 3. Minnesota Statutes 2016, section 116P.05, subdivision 2, is amended to read:
- Subd. 2. **Duties.** (a) The commission shall recommend an annual or biennial legislative bill for appropriations from the environment and natural resources trust fund and shall adopt a strategic plan as provided in section 116P.08. Approval of the recommended legislative bill requires an affirmative vote of at least 12 members of the commission.
- (b) It is a condition of acceptance of the appropriations made from the Minnesota environment and natural resources trust fund, and oil overcharge money under section 4.071, subdivision 2, that the agency or entity receiving the appropriation must submit a work plan and annual or semiannual progress reports in the form determined by the Legislative-Citizen Commission on Minnesota Resources, and comply with applicable reporting requirements under section 116P.16. None of the money provided may be spent unless the commission has approved the pertinent work plan. Modifications to the approved work plan and budget expenditures shall be made through the amendment process established by the commission. The commission shall ensure that the expenditures and outcomes described in the work plan for appropriations funded by the environment and natural resources trust fund are met.
- (c) The peer review procedures created under section 116P.08 must also be used to review, comment, and report to the commission on research proposals applying for an appropriation from the oil overcharge money under section 4.071, subdivision 2.
 - (d) The commission may adopt operating procedures to fulfill its duties under this chapter.
 - (e) As part of the operating procedures, the commission shall:
 - (1) ensure that members' expectations are to participate in all meetings related to funding decision recommendations;
 - (2) recommend adequate funding for increased citizen outreach and communications for trust fund expenditure planning;
 - (3) allow administrative expenses as part of individual project expenditures based on need;
 - (4) provide for project outcome evaluation;
 - (5) keep the grant application, administration, and review process as simple as possible; and
- (6) define and emphasize the leveraging of additional sources of money that project proposers should consider when making trust fund proposals.
 - Sec. 4. Minnesota Statutes 2016, section 116P.08, subdivision 1, is amended to read:

Subdivision 1. Expenditures. (a) Money in the trust fund may be spent only for:

(1) the reinvest in Minnesota program as provided in section <u>84.95</u>, <u>subdivision 2</u>;

- (2) research that contributes to increasing the effectiveness of protecting or managing the state's environment or natural resources;
 - (3) collection and analysis of information that assists in developing the state's environmental and natural resources policies;
- (4) enhancement of public education, awareness, and understanding necessary for the protection, conservation, restoration, and enhancement of air, land, water, forests, fish, wildlife, and other natural resources;
 - (5) capital projects for the preservation and protection of unique natural resources;
- (6) activities that preserve or enhance fish, wildlife, land, air, water, and other natural resources that otherwise may be substantially impaired or destroyed in any area of the state;
- (7) administrative and investment expenses incurred by the State Board of Investment in investing deposits to the trust fund; and
 - (8) administrative expenses subject to the limits in section <u>116P.09</u>.
- (b) In making recommendations for expenditures from the trust fund, the commission shall give priority to funding programs and projects under paragraph (a), clauses (1) and (6). Any requests for proposals issued by the commission shall clearly indicate these priorities.
 - Sec. 5. Minnesota Statutes 2016, section 116P.17, subdivision 1, is amended to read:

Subdivision 1. **Commissioner approval.** (a) A recipient of an appropriation from the trust fund who acquires an interest in real property must receive written approval from the commissioner of natural resources prior to the acquisition, if the interest is acquired in whole or in part with the appropriation. A recipient must request the commissioner's approval at least ten business days before the proposed acquisition. When a recipient requests approval under this subdivision, the recipient must simultaneously submit the same information to the commission. Conservation easements to be held by the Board of Water and Soil Resources, acquisitions of land in the metropolitan regional recreation open space systems as defined under section 473.351, subdivision 1, with appropriations to the Metropolitan Council, and acquisitions specifically identified in appropriation laws are not subject to commissioner approval under this section.

- (b) The commissioner shall approve acquisitions under this section only when the interest in real property:
- (1) is identified as a high priority by the commissioner and meets the objectives and criteria identified in the applicable acquisition plan for the intended management status of the property; or
 - (2) is otherwise identified by the commissioner as a priority for state financing.
 - Sec. 6. **EFFECTIVE DATE.** Sections 1 and 2 are effective the day following final enactment.

Presented to the governor May 26, 2017

Signed by the governor May 30, 2017, 4:24 p.m.

Official Publication of the State of Minnesota Revisor of Statutes

Office of the Revisor of Statutes

Office of the Revisor of Statutes

Minnesota Session Laws - 2017, Regular Session

Authenticate PDF

Key: (1) language to be deleted (2) new language

CHAPTER 96--S.F.No. 550

An act relating to natural resources; appropriating money from environment and natural resources trust fund; modifying requirements for receipt of fund money; amending Minnesota Statutes 2016, sections 116P.05, subdivision 2; 116P.08, subdivision 1; 116P.17, subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the environment and natural resources trust fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2017," "2018," and "2019" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2017, June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. Appropriations for fiscal year 2017 are available the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30

<u>2017</u> <u>2018</u> <u>2019</u>

Sec. 2. MINNESOTA RESOURCES

<u>Subdivision 1. Total Appropriation \$ 8,428,000 \$ 50,733,000 \$ 5,089,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions. Appropriations for fiscal years 2018 and 2019 are available for two years beginning July 1, 2017, for fiscal year 2018 appropriations and beginning July 1, 2018, for fiscal year 2019 appropriations, unless otherwise stated in the appropriation. Any unencumbered balance remaining in the first year does not cancel and is available for the second year or until the end of the appropriation. Appropriations for fiscal year 2017 are available until June 30, 2018, unless otherwise stated in the appropriation.

Subd. 2. **Definition**

"Trust fund" means the Minnesota environment and natural resources trust fund established under the Minnesota Constitution, article XI, section 14.

Subd. 3. Foundational Natural Resource Data and Information

2,000,000

7,872,000

<u>89,000</u>

(a) County Geologic Atlases - Continuation

\$2,000,000 in fiscal year 2017 is from the trust fund to the Board of Regents of the University of Minnesota, Minnesota Geological Survey, to continue acceleration of the production of county geologic atlases for the purpose of sustainable management of surface water and groundwater resources. This appropriation is to complete Part A of county geologic atlases, which focuses on the

\$1,500,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the Leech Lake Band of Ojibwe to acquire approximately 45 acres, including 0.67 miles of shoreline of high-quality aquatic and wildlife habitat at the historic meeting place between Henry Schoolcraft and the Anishinabe people. The land must be open to public use including hunting and fishing. The band must provide a commitment that land will not be put in a federal trust through the Bureau of Indian Affairs.

(g) Mesabi Trail Development

\$2,269,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Railroad Authority for engineering and constructing segments of the Mesabi Trail. This appropriation is available until June 30, 2020, by which time the project must be completed and final products delivered.

(h) Tower Trailhead Boat Landing and Habitat Improvement - Phase

II

\$600,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the city of Tower to construct a trailhead and boat landing and restore vegetative habitat on city-owned property. Plant and seed materials must follow the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines. This appropriation is available until June 30, 2020, by which time the project must be completed and final products delivered.

(i) Land Acquisition for Voyageurs National Park Crane Lake Visitors Center

\$950,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the town of Crane Lake, in partnership with Voyageurs National Park and the Department of Natural Resources, to acquire approximately 30 acres to be used for a visitor center and campground. Income generated by the campground may be used to support the facility.

Subd. 10. Administration and Contract Agreement Reimbursement

-0-

1,340,000

-0-

(a) Contract Agreement Reimbursement

\$135,000 the first year is from the trust fund to the commissioner of natural resources, at the direction of the Legislative-Citizen Commission on Minnesota Resources, for expenses incurred for contract agreement reimbursement for the agreements specified in this section. The commissioner shall provide documentation to the Legislative-Citizen Commission on Minnesota Resources on the expenditure of these funds.

(b) Legislative-Citizen Commission on Minnesota Resources (LCCMR) Administration

\$1,200,000 the first year is from the trust fund to the Legislative-Citizen Commission on Minnesota Resources for administration in fiscal years 2018 and 2019 as provided in Minnesota Statutes, section 116P.09, subdivision 5.

(c) Legislative Coordinating Commission Legacy Web site

\$5,000 the first year is from the trust fund to the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Subd. 11. Availability of Appropriations

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the work plan approved by the Legislative-Citizen Commission on Minnesota Resources. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Costs that are directly related to and necessary for an appropriation, including financial services, human resources, information services, rent, and utilities, are eligible only if the costs can be clearly justified and individually documented specific to the appropriation's purpose and would not be generated by the recipient but for receipt of the appropriation. No broad allocations for costs in either dollars or percentages are allowed. Unless otherwise provided, the amounts in this section are available until June 30, 2019, when projects must be completed and final products delivered. For acquisition of real property, the appropriations in this section are available for an additional fiscal year if a binding contract for acquisition of the real property is entered into before the expiration date of the appropriation. If a project receives a federal grant, the time period of the appropriation is extended to equal the federal grant period.

Subd. 12. Data Availability Requirements

- (j) For new lands acquired with money appropriated under this section, a recipient must prepare an ecological restoration and management plan in compliance with paragraph (c), including sufficient funding for implementation unless the work plan addresses why a portion of the money is not necessary to achieve a high-quality restoration.
- (k) To ensure public accountability for the use of public funds, within 60 days of the transaction, a recipient of money appropriated under this section must provide to the Legislative-Citizen Commission on Minnesota Resources documentation of the selection process used to identify parcels acquired and provide documentation of all related transaction costs, including but not limited to appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient must also report to the Legislative-Citizen Commission on Minnesota Resources any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted.
- (l) A recipient of an appropriation from the trust fund under this section must acknowledge financial support from the environment and natural resources trust fund in project publications, signage, and other public communications and outreach related to work completed using the appropriation. Acknowledgment may occur, as appropriate, through use of the trust fund logo or inclusion of language attributing support from the trust fund. Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must satisfy all reporting and other requirements incumbent upon constitutionally dedicated funding recipients as provided in Minnesota Statutes, section 3.303, subdivision 10, and chapter 116P.

Subd. 14. Payment Conditions and Capital Equipment

Expenditures

- (a) All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures made on or after July 1, 2017, or the date the work plan is approved, whichever is later, are eligible for reimbursement unless otherwise provided in this section. Periodic payments must be made upon receiving documentation that the deliverable items articulated in the approved work plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash flow needs or match federal money. The advances must be approved as part of the work plan. No expenditures for capital equipment are allowed unless expressly authorized in the project work plan.
 - (b) Single-source contracts as specified in the approved work plan are allowed.

Subd. 15. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation under this section must use the appropriation in compliance with Minnesota Statutes, section 16C.0725, regarding purchase of recycled, repairable, and durable materials and Minnesota Statutes, section 16C.073, regarding purchase and use of paper stock and printing.

Subd. 16. Energy Conservation and Sustainable Building Guidelines

A recipient to whom an appropriation is made under this section for a capital improvement project must ensure that the project complies with the applicable energy conservation and sustainable building guidelines and standards contained in law, including Minnesota Statutes, sections 16B.325, 216C.19, and 216C.20, and rules adopted under those sections. The recipient may use the energy planning, advocacy, and State Energy Office units of the Department of Commerce to obtain information and technical assistance on energy conservation and alternative energy development relating to planning and constructing the capital improvement project.

Subd. 17. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

Subd. 18. Carryforward; Extension

- (a) The availability of the appropriations for the following projects are extended to June 30, 2018:
- (1) Laws 2014, chapter 226, section 2, subdivision 3, paragraph (d), Evaluation of Wastewater Nitrogen and Estrogen Treatment Options;
- (2) Laws 2014, chapter 226, section 2, subdivision 4, paragraph (b), Bioacoustics to Detect, Deter, and Eliminate Silver Carp;
- (3) Laws 2014, chapter 226, section 2, subdivision 4, paragraph (f), Brown Marmorated Stink Bug Monitoring and Bio-Control Evaluation;
- (4) Laws 2014, chapter 226, section 2, subdivision 6, paragraph (h), Nutrient Capture through Water Management and Biomass Harvesting;

- (5) Laws 2014, chapter 226, section 2, subdivision 7, paragraph (b), Metropolitan Regional Park System Acquisition;
- (6) Laws 2015, chapter 76, section 2, subdivision 3, paragraph (1), Genetic and Camera Techniques to Estimate Carnivore Populations;
- (7) Laws 2015, chapter 76, section 2, subdivision 7, paragraph (c), Building Deconstruction to Reduce Greenhouse Gas Emissions and Solid Waste; and
 - (8) Laws 2015, chapter 76, section 2, subdivision 10, Emerging Issues Account.
 - (b) The availability of the appropriations for the following projects are extended to June 30, 2019:
- (1) Laws 2014, chapter 226, section 2, subdivision 10, paragraph (c), Legislative-Citizen Commission on Minnesota Resources (LCCMR) as extended by Laws 2016, chapter 186, section 2, subdivision 18, clause (8);
 - (2) Laws 2015, chapter 76, section 2, subdivision 7, paragraph (a), Renewable and Sustainable Fertilizers Produced Locally;
- (3) Laws 2015, chapter 76, section 2, subdivision 8, paragraph (h), Improving Community Forests Through Citizen Engagement; and
- (4) Laws 2016, chapter 186, section 2, subdivision 9, paragraph (b), Minnesota Point Pine Forest Scientific and Natural Area Acquisition.

Subd. 19. Fiscal Year 2019 Recommendations

- (a) For fiscal year 2019, the commission shall consider recommending loans from the corpus of the trust fund to statutory and home rule charter cities and towns with a population less than 5,000 as provided in the Minnesota Constitution, article XI, section 14. The commission shall work with the Public Facilities Authority in developing its recommendations. The commission shall include in its recommendations an analysis of using trust fund allocations for grants to the same cities and towns, including any necessary statutory changes.
- (b) Any deadlines established by the Legislative-Citizen Commission on Minnesota Resources for submission of proposals for the commission's fiscal year 2019 funding recommendations are waived until July 15, 2017, for proposals authorized under this subdivision and proposals that the commission recommended for fiscal year 2018 but that did not receive funding.
 - Sec. 3. Minnesota Statutes 2016, section 116P.05, subdivision 2, is amended to read:
- Subd. 2. **Duties.** (a) The commission shall recommend an annual or biennial legislative bill for appropriations from the environment and natural resources trust fund and shall adopt a strategic plan as provided in section 116P.08. Approval of the recommended legislative bill requires an affirmative vote of at least 12 members of the commission.
- (b) It is a condition of acceptance of the appropriations made from the Minnesota environment and natural resources trust fund, and oil overcharge money under section 4.071, subdivision 2, that the agency or entity receiving the appropriation must submit a work plan and annual or semiannual progress reports in the form determined by the Legislative-Citizen Commission on Minnesota Resources, and comply with applicable reporting requirements under section 116P.16. None of the money provided may be spent unless the commission has approved the pertinent work plan. Modifications to the approved work plan and budget expenditures shall be made through the amendment process established by the commission. The commission shall ensure that the expenditures and outcomes described in the work plan for appropriations funded by the environment and natural resources trust fund are met.
- (c) The peer review procedures created under section 116P.08 must also be used to review, comment, and report to the commission on research proposals applying for an appropriation from the oil overcharge money under section 4.071, subdivision 2.
 - (d) The commission may adopt operating procedures to fulfill its duties under this chapter.
 - (e) As part of the operating procedures, the commission shall:
 - (1) ensure that members' expectations are to participate in all meetings related to funding decision recommendations;
 - (2) recommend adequate funding for increased citizen outreach and communications for trust fund expenditure planning;
 - (3) allow administrative expenses as part of individual project expenditures based on need;
 - (4) provide for project outcome evaluation;
 - (5) keep the grant application, administration, and review process as simple as possible; and
- (6) define and emphasize the leveraging of additional sources of money that project proposers should consider when making trust fund proposals.
 - Sec. 4. Minnesota Statutes 2016, section 116P.08, subdivision 1, is amended to read:

Subdivision 1. Expenditures. (a) Money in the trust fund may be spent only for:

(1) the reinvest in Minnesota program as provided in section <u>84.95</u>, <u>subdivision 2</u>;

- (2) research that contributes to increasing the effectiveness of protecting or managing the state's environment or natural resources;
 - (3) collection and analysis of information that assists in developing the state's environmental and natural resources policies;
- (4) enhancement of public education, awareness, and understanding necessary for the protection, conservation, restoration, and enhancement of air, land, water, forests, fish, wildlife, and other natural resources;
 - (5) capital projects for the preservation and protection of unique natural resources;
- (6) activities that preserve or enhance fish, wildlife, land, air, water, and other natural resources that otherwise may be substantially impaired or destroyed in any area of the state;
- (7) administrative and investment expenses incurred by the State Board of Investment in investing deposits to the trust fund; and
 - (8) administrative expenses subject to the limits in section <u>116P.09</u>.
- (b) In making recommendations for expenditures from the trust fund, the commission shall give priority to funding programs and projects under paragraph (a), clauses (1) and (6). Any requests for proposals issued by the commission shall clearly indicate these priorities.
 - Sec. 5. Minnesota Statutes 2016, section 116P.17, subdivision 1, is amended to read:

Subdivision 1. **Commissioner approval.** (a) A recipient of an appropriation from the trust fund who acquires an interest in real property must receive written approval from the commissioner of natural resources prior to the acquisition, if the interest is acquired in whole or in part with the appropriation. A recipient must request the commissioner's approval at least ten business days before the proposed acquisition. When a recipient requests approval under this subdivision, the recipient must simultaneously submit the same information to the commission. Conservation easements to be held by the Board of Water and Soil Resources, acquisitions of land in the metropolitan regional recreation open space systems as defined under section 473.351, subdivision 1, with appropriations to the Metropolitan Council, and acquisitions specifically identified in appropriation laws are not subject to commissioner approval under this section.

- (b) The commissioner shall approve acquisitions under this section only when the interest in real property:
- (1) is identified as a high priority by the commissioner and meets the objectives and criteria identified in the applicable acquisition plan for the intended management status of the property; or
 - (2) is otherwise identified by the commissioner as a priority for state financing.
 - Sec. 6. **EFFECTIVE DATE.** Sections 1 and 2 are effective the day following final enactment.

Presented to the governor May 26, 2017

Signed by the governor May 30, 2017, 4:24 p.m.

Official Publication of the State of Minnesota Revisor of Statutes

LCCMR
c/o Michael L. Varien
Assistant Director
May 19, 2025
Page 6

EXHIBIT B

Pertinent sections of Ch. 6, Art. 5, Sec. 2, Subd. 9(s), Crane Lake Voyageurs National Park Campground; and

Ch. 6, Art. 6, Sec. 2, subd. 9(n), Crane Lake Voyageurs National Park Visitor Center

Office of the Revisor of Statutes

Office of the Revisor of Statutes

Minnesota Session Laws - 2021, 1st Special Session

Authenticate 🔁 PDF

Key: (1) language to be deleted (2) new language

CHAPTER 6--S.F.No. 20

An act relating to state government; appropriating money for environment, natural resources, and tourism; appropriating money from environment and natural resources trust fund; modifying fees and programs; modifying disposition and expenditure of certain funds; creating accounts; authorizing sales and conveyances of certain state land; adding to and deleting from state parks and recreation areas; modifying state land and school trust land provisions; modifying forestry provisions; modifying aquaculture provisions; modifying game and fish laws; modifying Water Law; modifying natural resource and environment provisions; prohibiting PFAS in food packaging; providing for DUI conformity for operating recreational vehicles; requiring rulemaking; requiring reports; making technical corrections; amending Minnesota Statutes 2020, sections 16B.335, subdivision 2; 17.4982, subdivisions 6, 8, 9, 12, by adding subdivisions; 17.4985, subdivisions 2, 3, 5; 17.4986, subdivisions 2, 4; 17.4991, subdivision 3; 17.4992, subdivision 2; 17.4993, subdivision 1; 35.155, subdivision 7, by adding a subdivision; 84.027, subdivisions 13a, 18; 84.415, by adding a subdivision; 84.63; 84.631; 84.795, subdivision 5; 84.82, subdivisions 1a, 7a; 84.83, subdivision 5; 84.943, subdivisions 3, 5; 84.944, subdivision 1; 84.946, subdivision 4; 84D.11, subdivision 1a; 85.019, by adding a subdivision; 85.052, subdivisions 1, 2, 6, by adding a subdivision; 85.053, subdivision 2, by adding a subdivision; 85.054, subdivision 1; 85.43; 85.47; 86B.705, subdivision 2; 89.021, by adding a subdivision; 89.17; 89.37, subdivision 3; 89A.11; 92.50, by adding a subdivision; 92.502; 94.3495, subdivision 3; 97A.065, subdivision 2; 97A.075, subdivisions 1, 7; 97A.126, by adding a subdivision; 97A.401, subdivision 1, by adding a subdivision; 97A.421, subdivision 1, by adding a subdivision; 97A.475, subdivisions 2, 3, 3a, 4; 97A.505, subdivisions 3b, 8; 97B.022, by adding a subdivision; 97B.036; 97B.055, subdivision 2; 97B.086; 97B.715, subdivision 1; 97B.801; 97B.811, subdivision 4a; 97C.005, subdivision 3; 97C.081, subdivisions 3, 3a; 97C.342, subdivision 2; 97C.401, by adding a subdivision; 97C.605, subdivision 3; 97C.611; 97C.805, subdivision 2; 97C.836; 103C.315, subdivision 4; 103G.271, subdivision 4a, by adding a subdivision; 103G.401; 115A.1310, subdivision 12b; 115A.1312, subdivision 1; 115A.1314, subdivision 1; 115A.1316, subdivision 1; 115A.1318, subdivision 2; 115A.1320, subdivision 1; 115A.5501, subdivision 3; 115A.565, subdivision 1; 115B.17, subdivision 13; 115B.406, subdivisions 1, 9; 115B.407; 115B.421; 116.07, subdivision 7, by adding a subdivision; 116G.07, by adding a subdivision; 116G.15, by adding a subdivision; 127A.353, subdivision 4; 169A.20, subdivision 1; 169A.52, by adding a subdivision; 169A.54, by adding a subdivision; 171.306, by adding a subdivision; 290C.01; 290C.04; Laws 2016, chapter 154, sections 16; 48; Laws 2016, chapter 189, article 3, section 3, subdivision 5; Laws 2017, chapter 96, section 2, subdivision 9, as amended; Laws 2018, chapter 214, article 4, section 2, subdivision 6; Laws 2019, First Special Session chapter 4, article 1, sections 2, subdivision 9; 3, subdivisions 4, 5; article 3, section 109, as amended; proposing coding for new law in Minnesota Statutes, chapters 84; 86B; 92; 103F; 103G; 171; 325F; repealing Minnesota Statutes 2020, sections 84.91, subdivision 1; 85.0505, subdivision 3; 85.0507; 85.054, subdivision 19; 86B.331, subdivision 1; 169A.20, subdivisions 1a, 1b, 1c; Minnesota Rules, part 7044.0350.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS

Section 1. ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.

this amount, up to \$600,000 is for planning, design, and engagement. No funds from this appropriation may be spent until Congress directs the U.S. Army Corps of Engineers to convey an interest in the Upper St. Anthony Falls property to the city of Minneapolis for use as a visitor center. After this congressional act is signed into law, up to \$100,000 of the planning, design, and engagement funds may be spent. The remaining planning, design, and engagement funds may be spent after a binding agreement has been secured to acquire the land or access and use rights to the land for at least 25 years. Any remaining balance of the appropriation may be spent on installing enhancements after the Upper St. Anthony Falls land has been acquired by the city of Minneapolis.

(m) Whiskey Creek and Mississippi River Water Quality, Habitat, and Recreation

\$500,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Mississippi Headwaters Board to acquire and transfer approximately 13 acres of land to the city of Baxter for future construction of water quality, habitat, and recreational improvements to protect the Mississippi River.

(n) Perham to Pelican Rapids Regional Trail (West Segment)

\$2,600,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Otter Tail County to construct the west segment of the 32-mile Perham to Pelican Rapids Regional Trail that will connect the city of Pelican Rapids to Maplewood State Park.

(o) Crow Wing County Community Natural Area Acquisition

\$400,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Crow Wing County to acquire approximately 65 acres of land adjacent to the historic fire tower property to allow for diverse recreational opportunities while protecting wildlife habitat and preventing forest fragmentation. Any revenue generated from selling products or assets developed or acquired with this appropriation must be repaid to the trust fund unless a plan is approved for reinvestment of income in the project as provided under Minnesota Statutes, section 116P.10.

(p) Rocori Trail - Phase III

\$1,200,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Rocori Trail Construction Board to design and construct Phase III of the Rocori Trail along the old Burlington Northern Santa Fe rail corridor between the cities of Cold Spring and Rockville.

(q) Mesabi Trail: New Trail and Additional Funding

\$1,000,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the St.

Louis and Lake Counties Regional Railroad Authority for constructing the Mesabi Trail beginning at the intersection of County Road

20 and Minnesota State Highway 135 and terminating at 1st Avenue North and 1st Street North in the city of Biwabik in St. Louis

County. This appropriation may not be spent until all Mesabi Trail projects funded with trust fund appropriations before fiscal year

2020, with the exception of the project funded under Laws 2017, chapter 96, section 2, subdivision 9, paragraph (g), are completed.

(r) Ranier Safe Harbor and Transient Dock on Rainy Lake

\$762,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Ranier to construct a dock that accommodates boats 26 feet or longer with the goal of increasing public access for boat recreation on Rainy Lake. Any revenue generated from selling products or assets developed or acquired with this appropriation must be repaid to the trust fund unless a plan is approved for reinvestment of income in the project as provided under Minnesota Statutes, section 116P.10.

(s) Crane Lake Voyageurs National Park Campground and Visitor Center

\$3,100,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the town of Crane Lake to design and construct a new campground and to plan and preliminarily prepare a site for constructing a new Voyageurs National Park visitor center on land acquired for these purposes in Crane Lake. Any revenue generated from selling products or assets developed or acquired with this appropriation must be repaid to the trust fund unless a plan is approved for reinvestment of income in the project as provided under Minnesota Statutes, section 116P.10.

(t) Chippewa County Acquisition, Recreation, and Education

\$160,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Chippewa County to acquire wetland and floodplain forest and abandoned gravel pits along the Minnesota River to provide water filtration, education, and recreational opportunities.

(u) Sportsmen's Training and Developmental Learning Center

(j) SNA Acquisition, Restoration, Citizen-Science, and Outreach

\$3,336,000 the first year is from the trust fund to the commissioner of natural resources for the scientific and natural areas (SNA) program to restore, improve, and enhance wildlife habitat on SNAs; increase public involvement and outreach; and strategically acquire lands that meet criteria for SNAs under Minnesota Statutes, section 86A.05, from willing sellers.

(k) Precision Acquisition for Restoration, Groundwater Recharge, and Habitat

\$467,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire and restore to wetland a key parcel of land to reduce downstream flooding while providing water storage, groundwater recharge, nutrient reduction, and pollinator and wildlife habitat.

(1) Lake Brophy Single-Track Trail Expansion

\$100,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with Douglas

County in partnership with the Big Ole Bike Club to design and build new expert single-track segments and an asphalt pump track for the existing trail system at Lake Brophy Park to improve outdoor recreation experiences in west-central Minnesota.

(m) Veterans on the Lake

\$553,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with Lake County for Veterans on the Lake to conduct accessibility upgrades to Veterans on the Lake's existing trails, roadway, and buildings to improve access to the wilderness and outdoor recreation for disabled American veterans.

(n) Crane Lake Voyageurs National Park Visitor Center - Continuation

\$2,700,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the city of Crane Lake to design and construct an approximate 4,500 to 7,000 square-foot visitor center building to serve as an access point to Voyageurs National Park. A fiscal agent or fiscal management plan must be approved in the work plan before any trust fund money is spent. A copy of a resolution or other documentation of the city's commitment to fund operations of the visitor center must be included in the work plan submitted to the Legislative-Citizen Commission on Minnesota Resources.

(o) Brookston Campground, Boat Launch, and Outdoor Recreational Facility Planning

\$425,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the city of Brookston to design a campground, boat launch, and outdoor recreation area on the banks of the St. Louis River in northeastern Minnesota. A fiscal agent must be approved in the work plan before any trust fund dollars are spent.

(p) Moose and Seven Beaver Multiuse Trails Upgrade

\$900,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the city of Hoyt Lakes, in partnership with the Ranger Snowmobile and ATV Club, to design and construct upgrades and extensions to the Moose and Seven Beaver multiuse trails to enhance access for recreation use and connect to regional trails.

(q) Above the Falls Regional Park Acquisition

\$950,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the Minneapolis Parks and Recreation Board to develop a restoration plan and acquire approximately 3.25 acres of industrial land for public access and habitat connectivity along the Mississippi River as part of Above the Falls Regional Park.

(r) Silver Lake Trail Improvement Project

\$1,071,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the city of Virginia to reconstruct and renovate the walking trail around Silver Lake to allow safe multimodal transportation between schools, parks, community recreation facilities, and other community activity centers in downtown Virginia.

(s) Minnesota State Trails Development

\$4,266,000 the first year is from the trust fund to the commissioner of natural resources to expand recreational opportunities on Minnesota state trails by rehabilitating and enhancing existing state trails and replacing or repairing existing state trail bridges.

Priority must be given to funding projects in the metropolitan area or in other areas of southern Minnesota. For purposes of this paragraph, southern Minnesota is defined as the area of the state south of and including St. Cloud.

LCCMR c/o Michael L. Varien Assistant Director May 19, 2025 Page 7

EXHIBIT C

Screenshot of LCCMR website with original language for purpose

Land Acquisition for Voyageurs National Park Crane Lake Visitors Center Subd. 09i \$950,000 TF (FY2018)

Jim Janssen

Town of Crane Lake

PO Box 402

Crane Lake, MN 55725

Phone:(218) 993-1303

Email: info@cranelaketwp.com

Web: http://www.cranelaketwp.com

Appropriation Language

\$950,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the town of Crane Lake, in partnership with Voyageurs National Park and the Department of Natural Resources, to acquire approximately 30 acres to be used for a visitor center and campground. Income generated by the campground may be used to support the facility.

OVERALL PROJECT OUTCOME AND RESULTS

The Township of Crane Lake received a \$950,000 grant from the ENRTF to acquire an approximately 30 acre former resort site on the shores of Crane Lake to work in partnership with an adjacent DNR 7 acre site to build an entrance point to Voyageurs National Park that will include a National Park Service Visitors Center, boat ramp, docks, beach, campground, restrooms, and educational and community space. The Township of Crane Lake has purchased the property and will be working with their partners to begin the design and development phases of their development. The total cost of the parcel was \$982,000 with \$950,000 coming from the ENRTF and the Township providing \$32,000 in their own funds.

PROJECT RESULTS USE AND DISSEMINATION

During the process of planning, land sale negotiations, and securing the former Borderland Resort site, the Township of Crane Lake has been posting progress on their website, updating local newspapers, working with local tourism offices, area chambers of commerce and working very closely with their partners including the DNR and Park Service. The Township will continue to disseminate information through the same media through the planning, design and construction phases of the overall development.

Project Completed: 07/01/2018 FINAL REPORT

Subd. 10 Administration

Back to Top

LCCMR
c/o Michael L. Varien
Assistant Director
May 19, 2025
Page 8

EXHIBIT D

Sec 26
That part of NW1/4 of NE1/4, described as follows: Beginning at a point on the north line of said Section 26, 810.52 feet West of the Northeast corner of said NW1/4 of NE1/4 of Section 26, and assigning a bearing of N87deg35'45"W to said north line of Section 26, thence S02deg24'15"W, 230.00 feet, thence N87deg35'45"W, 6.39 feet, thence S01deg1652"E, 176.36 feet, thence S87deg35'45"E, 831.72 feet to the east line of NW1/4 of NE1/4 of Section 26, thence S01deg1652"E, along said east line, 742.75 feet to the Northeart of N87deg35'45"W, 81.66 feet, thence S65deg54'11"W, 50.61 feet, thence S65deg41'14"W, 71.98 feet, thence N84deg40'34"W, along the south line of said NW1/4 of NE1/4, 435.21 feet, thence N01deg1926'E, 25.00 feet, thence N88deg40'34"W, along the south line of said NW1/4 of NE1/4, 313.24 feet to the Southwest corner of the NW1/4 of NE1/4, 313.24 feet to the Southwest corner of the NW1/4 of NE1/4 of said Section 26; thence N00deg5425"W, along the North-South quarter line of said Section 26, a distance of 758.44 feet to the Southerly right of way of County Road 24; thence N00deg5425"W, along an on-tangential curve concave to the Northwest, the center of which bears N60deg2926"W with a radius of 418.00 feet and a central angle of 42deg33'31", a distance of Northeastery along the said shoreline 360 feet, more or less, to the South shore of Crane Lake; thence Southerly, Easterly and Northeasterly along the said shoreline 360 feet, more or less, to the South shore of Crane Lake; thence Southerly, Easterly and Northeasterly along the said shoreline 360 feet, more or less, to the South shore of Crane Lake; thence Southerly, Easterly and Northeasterly along the said shoreline 360 feet, more or less, to the South shore of Crane Lake; thence Southerly, Easterly and Northeasterly along the said shoreline 360 feet, more or less, to the South shore of Crane Lake; thence Southerly, Easterly and Northeasterly along the said shoreline 360 feet, more or less, to the South shore of Crane Lake; thence Southerly, Eas

Being that land formerly described as:

Lots One (1) through fifteen (15), EXCEPT LOT THIRTEEN (13) thereof Amendment to Common Interest Community (CIC) No. 84, Crane Lake Shores, together with undivided interest in the common elements appurtenant thereto.

LCCMR c/o Michael L. Varien Assistant Director May 19, 2025 Page 9

EXHIBIT E

Draft easement

Remediation Program template: Environmental Covenant and Easement (ECE)

DO NOT REMOVE THIS COVER PAGE UNTIL RECORDING THE ECE. It must remain with the ECE throughout the review and signature process. If this cover sheet is not included when the MPCA receives the ECE for signature, the ECE will be set aside until the cover sheet is submitted.

If questions arise about the template language or subordination agreements, refer to the <u>Remediation Division Institutional Control Guidance</u> – specifically, Appendix C (for ECE template) and Appendix D (for Subordination Agreements). If questions remain after review of these resources, contact the MPCA project manager for your site.

This template is a locked Microsoft (MS) Word document with certain editable sections and drop-down boxes. If MPCA staff determine that the locked text has been edited, the document will be rejected, and you will need to submit an unedited version.

When preparing the draft ECE, always start by downloading the <u>ECE template</u> from the MPCA's <u>Cleanup</u> guidance webpage. This will ensure use of the most up-to-date version and minimize errors.

- 1. Send the completed draft ECE as a *locked MS Word document* via email to the MPCA project manager(s) for review. Include all exhibits in portable document format (PDF). If the draft ECE is received in another format (e.g., unlocked MS Word document or PDF), it will not be reviewed.
- 2. MPCA staff will communicate via email any necessary edits to the draft ECE.
- 3. Finalize the ECE, **print one-sided**, and obtain the notarized signature of the grantor.
 - a. Scan the signed ECE including all exhibits (skip blank pages) and email the PDF to the following two contacts. If this process is not followed, the ECE will not get in the hopper for MPCA signature.
 - The MPCA project manager for the site
 - Institutional Control Coordinator: instcontrols.pca@state.mn.us
 - b. Mail the hard copy with original signature(s) and all exhibits (also with original signatures as applicable) to the following address:

Minnesota Pollution Control Agency

Attn: Institutional Controls Coordinator – 5th Floor

520 Lafayette Rd N St. Paul MN 55155

4. After MPCA signs the ECE, who should we send the hard copy to for recording?

Name: Roy Christensen

Mailing address: Johnson, Killen, & Seiler, P.A., 230 West Superior Street, Suite 800, Duluth, MN 22802

If you want the fully executed ECE to be sent to you via a private delivery service (e.g., Fed-Ex, DHL, etc.), you must provide the carrier's envelope and pre-paid label.

- 5. If you want to receive a scan of the fully executed PDF after MPCA signs, provide email(s) below:
 - Email(s): gretchenmn@gmail.com; jjanssen@gmail.com; jforce@sehinc.com; jchopp@sehinc.com
- 6. Record the ECE at the appropriate county office (either hard copy or e-recording).
- 7. Email the MPCA project manager a PDF scan of the recorded ECE, including all exhibits. The document number and recording date should be clearly visible on the front page of the PDF.



ENVIRONMENTAL COVENANT AND EASEMENT

Preferred ID BF000248

This Environmental Covenant and Easement ("Environmental Covenant") is executed pursuant to the Uniform Environmental Covenants Act, Minn. Stat. ch. 114E ("UECA") in connection with an environmental response project approved by the Minnesota Pollution Control Agency ("MPCA").

1. Grantor and Property description.

A. Owner and legal description of Property.

The Town of Crane Lake, aTown under the laws of the State of Minnesota, is the fee owner of certain real property located at 7480 Crane Lake Road, Crane Lake, in St. Louis County, State of Minnesota, with parcel identification number(s) 308-0030-03548, shown on **Exhibit 1** and legally described in **Exhibit 2** (hereinafter the "Property").

B. Grantor.

The Town of Crane Lake is the Grantor of this Environmental Covenant.

2. Grant of Covenant; Covenant runs with the land.

Grantor does hereby Covenant and Declare that the Property shall be subject to the Activity and Use Limitations and associated terms and conditions set forth in this Environmental Covenant including the Easement in Paragraph 9, and that these Activity and Use Limitations and associated terms and conditions constitute covenants which run with the Property and which shall be binding on Grantor, its heirs, successors and assigns, and on all present and future Owners of the Property and all persons who now or hereafter hold any right, title or interest in the Property. An Owner is bound by this Environmental Covenant during the time when the Owner holds fee title to the Property. Any other person that holds any right, title or interest in or to the Property is bound by this Environmental Covenant during the time the person holds the right, title or interest. An Owner ceases to be bound by this Environmental Covenant when the Owner conveys fee title to another person, and any other person that holds any right, title or interest in or to the Property ceases to be bound when the person conveys the right, title or interest to another person.

3. Environmental Agency; Grantee and Holder of Environmental Covenant; acceptance of interest in real Property.

A. Environmental agency.

The MPCA is the environmental agency with authority to approve this Environmental Covenant under UECA.

B. Grantee and Holder; acceptance of interest in Property.

The MPCA is the Grantee and Holder of the interest in real property conveyed by this Environmental Covenant. MPCA has authority to acquire an interest in real property, including an Environmental Covenant, under Minn. Stat § 115C.08, subd. 4(11), as the MPCA determines necessary for a corrective action related to petroleum. MPCA's signature on this Environmental Covenant

constitutes approval of this Environmental Covenant under UECA and acceptance of the interest in real property granted herein for purposes of Minn. Stat. § 115C.08, subd. 4(11).

4. Environmental response project.

The Property is the location of releases or threatened releases of petroleum compounds that are addressed by an environmental response project under the MPCA Petroleum Brownfields Program pursuant to Minn. Stat. § 115C. MPCA has determined that an Environmental Covenant is needed for the Property because of the affirmative obligation to operate, monitor, and maintain the vapor intrusion mitigation system in the Property building.

5. Statement of facts.

Facts about the release and response actions.

A petroleum release was identified in the northwestern portion of the Property in September 2010 and was assigned MPCA Leak Site Number LS0018150. The release was attributed to the former Crane Lake Resort, which operated a lakeside fueling station at the Property. Because a viable responsible party was not identified, the MPCA undertook investigation of the release and conducted corrective action in 2022 involving insitu chemical oxidation to remediate the groundwater plume. Groundwater monitoring is ongoing at the Property.

Prior to redevelopment of the Propety with the Voyageurs National Park Visitors Center, the Town of Crane Lake prepared a Response Action Plan (RAP) and enrolled the Property in the MPCA's Petroleum Brownfields Program in June 2022. The RAP summarized the results of the Phase I Environmental Site Assessment (ESA) and Phase II ESA conducted by the Town of Crane Lake and proposed response actions to address elevated concentrations of petroleum compounds in soil vapor relative to the 33 times (33X) the commercial/industrial Intrusion Screening Values (I ISVs) and 33X the commercial/industrial Expedited Intrustion Screening Values (I EISVs) and to properly manage petroleum contaminated soil during Property redevelopment. The RAP was approved by Petroleum Brownfields Program on August 3, 2022.

During construction of the visitors center on the Property in 2023 and 2024, the following response actions were conducted: 1) excavation and offsite disposal of approximately 430 tons of petroleum impacted soil during installation of utilities at the Property; 2) lining of portions of utility trenches with residual petroleum impacts to prevent vapor intrusion; 3) installation of an active vapor mitigation system (VMS) below the visitors center; and 4) replacement of monitoring well MW-3.

Petroleum contaminated soil, soil vapor, and groundwater remain in the northwest portion of the Property. To prevent vapor intrusion, the VMS will continuously operate below the visitors center building. A figure showing the VMS in the Property building is included as **Exhibit 3.** An Operations and Maintenance Plan (O&M Plan) for the VMS is included as **Exhibit 4**. Details regarding the investigation and response actions can be found in the MPCA's file for the **Former Crane Lake Resort** site, MPCA Preferred ID **BF0002248**.

6. Definitions.

The terms used in this Environmental Covenant shall have the meanings given in UECA, and in the Minnesota Environmental Response and Liability Act ("MERLA"), Minn. Stat. § 115B.02. In addition, the definitions in this Paragraph 6 apply to the terms used in this Environmental Covenant.

- A. "Commissioner" means the Commissioner of the MPCA, the Commissioner's successor, or other person delegated by the Commissioner to act on behalf of the Commissioner.
- B. "MPCA" means the Minnesota Pollution Control Agency, an agency of the State of Minnesota, or its successor or assign under any governmental reorganization.
- C. "Owner" means a person that holds fee title to the Property and is bound by this Environmental Covenant as provided in Paragraph 2. When the Property is subject to a contract for deed, both the contract for deed vendor and vendee are collectively considered the Owner.
- D. "Political Subdivision" means the county, and the statutory or home rule charter city or township, in which the Property is located.
- E. "Property" means the real property described in Paragraph 1 of this Environmental Covenant.

7. Activity and use limitations.

The following Activity and Use Limitations shall apply to the Property:

A. Use limitations.

There are no use limitations on the Property.

B. Activity limitations.

The following activities are prohibited on the Property except as provided in Paragraph 8:

There shall be no disturbance, removal, or interference with the operation of any component of the vapor mitigation system within the Property building, as shown in **Exhibit 3**.

C. Affirmative obligations of Owner.

The Activity and Use Limitations imposed under this Environmental Covenant include the following affirmative covenants and obligations:

Owner shall maintain the integrity of the building floors at the Property to prevent intrusion of vapors into the building and disturbance of the sub-slab vapor mitigation system.

Owner shall operate, monitor, and maintain the vapor mitigation system in the Property building(s), in accordance with the Operation and Maintenance ("O&M") Plan set forth in **Exhibit 4**.

8. Prior MPCA approval required for activities limited under Environmental Covenant.

Approval procedure.

Any activity subject to limitation under Paragraph 7.B. shall not occur without the prior written approval of the Commissioner. The Commissioner's approval may include conditions which the Commissioner deems reasonable and necessary to protect public health or welfare or the environment, including submission to and approval of a contingency plan for the activity. Within 60 days after receipt of a written request for approval to engage in any activities subject to a limitation under Paragraph 7.B., the MPCA shall respond, in writing, by approving such request, disapproving such request, or requiring that additional information be provided. A lack of response from the Commissioner shall not constitute approval by default or authorization to proceed with the proposed activity.

9. Easement; right of access to the Property.

Owner grants to the MPCA, the Select City or Town of Name of City or Town, and St. Louis County an easement to enter the Property from time to time, to inspect the Property and to evaluate compliance with the Activity and Use Limitations set forth in Paragraph 7. In addition, for the purpose of evaluating compliance, Owner grants to the MPCA the right to take samples of environmental media such as soil, groundwater, surface water, soil vapor, and air, and to install, maintain and close borings, probes, wells or other structures necessary to carry out the sampling.

Owner further grants to the MPCA an easement to enter the Property to operate, maintain and monitor response actions on the Property connected to the MPCA-approved response action project, to take further response actions deemed reasonable and necessary by the MPCA to protect public health and welfare and the environment from the identified release of petroleum, and to dismantle and close such response actions including closure of monitoring wells in accordance with State law and rules.

MPCA, the Select City or Town of Name of City or Town, and St. Louis County, and their employees, agents, contractors and subcontractors, may exercise the rights granted under this Paragraph 9 at reasonable times and with reasonable notice to the then-current owner, in a manner that, to the extent possible, minimizes interruption with the activities of the authorized occupants, conditioned only upon showing identification or credentials by the persons seeking to exercise those rights. MPCA will be liable for injury to or loss of property or personal injury or death caused by any act or omission of any employee of the State of Minnesota in the performance of the work described above, under circumstances where the State of Minnesota, if a private person, would be liable to the claimant, in accordance with Minn. Stat. § 3.736.

10. Duration; amendment or termination of Environmental Covenant.

A. Duration of Environmental Covenant.

This environmental covenant is perpetual as provided in Minn. Stat. § 114E.40(a).

B. Amendment or termination by consent.

i. This Environmental Covenant may be amended or terminated in writing by the Owner and the MPCA. An amendment is binding on the Owner but does not affect any other interest in the real Property unless the current owner of that interest has consented to the amendment or agreed to waive its right to consent.

ii. The Grantor of this Environmental Covenant agrees that, upon conveying fee title to the Property to any other person, the Grantor waives the right to consent to amendment or termination of this Environmental Covenant.

C. Termination, reduction of burden, or modification by MPCA.

The MPCA may terminate, reduce the burden of, or modify this Environmental Covenant as provided in Minn. Stat. § 114E.40.

11. Disclosure in Property conveyance instruments.

Notice of this Environmental Covenant, and the Activity and Use Limitations and Affirmative Obligations set forth in Paragraph 7 and Compliance Reporting Requirements set forth in Paragraphs 8, 18 and 19 of this Environmental Covenant, shall be incorporated in full or by reference into all instruments conveying an interest in and/or a right to use the Property (e.g., easements, mortgages, leases). The notice shall be substantially in the following form:

THE INTEREST CONVEYED HEREBY IS SU	JBJECT TO AN ENVIRONMENTAL COVENANT
UNDER MINN. STAT. CH. 114E, DATED	, RECORDED IN THE OFFICIAL
PROPERTY RECORDS OF CO	OUNTY, MINNESOTA AS DOCUMENT NO.
THE ENVIRONMENTAL COVENANT INCLUDES THE FOLLOWING	
ACTIVITY AND USE LIMITATIONS AND A	AFFIRMATIVE OBLIGATIONS:

There are no use limitations on the Property.

The following activities are prohibited on the Property except as provided in Paragraph 8:

There shall be no disturbance, removal, or interference with the operation of any component of the vapor mitigation system within the Property building, as shown in Exhibit 3.

The Activity and Use Limitations imposed under this Environmental Covenant include the following affirmative covenants and obligations:

Owner shall maintain the integrity of the building floors at the Property to prevent intrusion of vapors into the building and disturbance of the sub-slab vapor mitigation system.

Owner shall operate, monitor, and maintain the vapor mitigation system in the Property building(s), in accordance with the Operation and Maintenance ("O&M") Plan set forth in Exhibit 4.

12. Recording and notice of Environmental Covenant, amendments and termination.

A. The original Environmental Covenant.

Within 30 days after the MPCA executes and delivers to Grantor this Environmental Covenant, the Grantor shall record this Environmental Covenant in the office of the County Recorder or Registrar of Titles of St. Louis County.

B. Termination, amendment, or modification.

Within 30 days after MPCA executes and delivers to Owner any termination, amendment or modification of this Environmental Covenant, the Owner shall record the amendment, modification, or notice of termination of this Environmental Covenant in the office of the County Recorder or Registrar of Titles of St. Louis County.

C. Providing notice of covenant, termination, amendment, or modification.

Within 30 days after recording this Environmental Covenant, the Grantor shall transmit a copy of the Environmental Covenant in recorded form to:

- i. each person that signed the covenant or their successor or assign;
- ii. each person holding a recorded interest in the Property;
- iii. each person in possession of the Property;
- iv. the environmental officer of each political subdivision in which the Property is located; and
- v. any other person the environmental agency requires.

Within 30 days after recording a termination, amendment, or modification of this Environmental Covenant, the Owner shall transmit a copy of the document in recorded form to the persons listed in items i to v above.

13. Notices to Grantor and environmental agency.

A. Manner of giving notice.

Any notice required or permitted to be given under this Environmental Covenant is given in accordance with this Environmental Covenant if it is placed in United States first class mail postage prepaid; or deposited cost paid for delivery by a nationally recognized overnight delivery service; or transmitted by electronic mail to instcontrols.pca@state.mn.us.

B. Notices to the Grantor.

Notices to the Grantor shall be directed to:

Crane Lake Township Attention: Jim Janssen P.O. Box 402 Crane Lake, MN 55725 Phone: 218.340.0887

Email: jjanssen55725@gmail.com

C. Notices to MPCA.

All notices, including reports or other documents, required to be submitted to the MPCA shall reference the MPCA Preferred ID. *Email submittal is preferred*.

Minnesota Pollution Control Agency

Remediation Division – Institutional Controls Coordinator

MPCA Preferred ID: BF0002248

520 Lafayette Rd N St. Paul, MN 55155

Email: <u>instcontrols.pca@state.mn.us</u>

14. Enforcement and compliance.

A. Civil action for injunction or equitable relief.

This Environmental Covenant may be enforced through a civil action for injunctive or other equitable relief for any violation of any term or condition of this Environmental Covenant, including violation of the Activity and Use Limitations under Paragraph 7 and denial of Right of Access under Paragraph 9. Such an action may be brought by:

- i. The MPCA
- ii. A political subdivision in which the Property is located
- iii. A person whose interest in the Property or whose collateral or liability may be affected by the alleged violation of the covenant
- iv. A party to the covenant, including all holders
- v. Any person to whom the covenant expressly grants power to enforce

B. Additional rights of enforcement by MPCA.

In addition to its authority under subparagraph A of this Paragraph 14, the MPCA may enforce this Environmental Covenant using any remedy or enforcement measure authorized under UECA or other applicable law, including remedies pursuant to Minn. Stat. §§ 115.071, subds. 3 to 5, or 116.072.

C. No waiver of enforcement.

Failure or delay in the enforcement of this Environmental Covenant shall not be considered a waiver of the right to enforce, nor shall it bar any subsequent action to enforce, this Environmental Covenant.

D. Former Owners and interest holders subject to enforcement.

Subject to any applicable statute of limitations, an Owner or other person holding any right, title or interest in or to the Property, that violates this Environmental Covenant during the time when the Owner or other person is bound by this Environmental Covenant remains subject to enforcement with respect to that violation regardless of whether the Owner or other person has subsequently conveyed the fee title, or other right, title or interest, to another person.

E. Other authorities of MPCA not affected.

Nothing in this Environmental Covenant affects MPCA's authority to take or require performance of response actions to address releases or threatened releases of hazardous

substances or pollutants or contaminants at or from the Property, or to enforce a consent order, consent decree or other settlement agreement entered into by MPCA, or to rescind or modify a liability assurance issued by MPCA, that addresses such response actions.

15. Administrative record.

Subject to the document retention policy of the MPCA, reports, correspondence and other documents which support and explain the environmental response project for the Property are maintained by the MPCA Petroleum Brownfields Program at the MPCA's office at 520 Lafayette Rd N, St. Paul, Minnesota in the file maintained for **Former Crane Lake Resort**, MPCA Preferred ID **BF0002248**.

16. Representations and warranties.

Grantor hereby represents and warrants to the MPCA and any other signatories to this Environmental Covenant that, at the time of execution of this Environmental Covenant:

- A. Every fee owner of the Property has been identified.
- B. Grantor holds fee simple title to the Property, which is subject to the interests and encumbrances identified in **Exhibit 5**.
- C. Grantor has authority to grant the rights and interests and carry out the obligations provided in this Environmental Covenant.
- D. Nothing in this Environmental Covenant materially violates, contravenes, or constitutes a default under any agreement, document or instrument that is binding upon the Grantor.
- E. The MPCA has determined that no subordination agreements are necessary from the persons identified in **Exhibit 5**.

17. Governing law.

This Environmental Covenant shall be governed by and interpreted in accordance with the laws of the State of Minnesota.

18. Compliance reporting.

The Owner shall submit to MPCA on an annual basis a written report confirming compliance with the Activity and Use Limitations and Affirmative Obligations provided in Paragraph 7 and summarizing any actions taken pursuant to Paragraph 8 of this Environmental Covenant. Reports shall be submitted on the first July 1 that occurs at least six months after the effective date of this Environmental Covenant, and on each succeeding July 1 thereafter.

Owner shall notify the MPCA as soon as possible of any actions or conditions that would constitute a breach of the Activity and Use Limitations in Paragraph 7.

19. Notice of conveyance of interest in Property.

Owner shall provide written notice to MPCA within 30 days after any conveyance of fee title to the Property or any portion of the Property. The notice shall identify the name and contact information of the new Owner, and the portion of the Property conveyed to that Owner.

20. Severability.

In the event that any provision of this Environmental Covenant is held by a court to be unenforceable, the other provisions of this Environmental Covenant shall remain valid and enforceable.

21. Effective date.

This Environmental Covenant is effective on the date of acknowledgement of the signature of the MPCA.

THE UNDERSIGNED REPRESENTATIVE OF THE GRANTOR REPRESENTS AND CERTIFIES THAT THEY ARE AUTHORIZED TO EXECUTE THIS ENVIRONMENTAL COVENANT

IN WITNESS WHEREOF, THIS INSTRUMENT HAS BEEN EXECUTED ON THE DATES INDICATED BELOW:

FOR THE GRANTOR: CRANE LAKE TOWNSHIP AKA TOWNSHIP OF CRANE LAKE

Ву
(Signature of Grantor or Grantor's representative)
Print name of Signatory Title of Signatory
Name of Grantor
STATE OF NAME OF STATE)) SS.
COUNTY OF NAME OF COUNTY)
On, 20, this instrument was acknowledged before me by Name of signer, Title of signer of Name of Grantor, on behalf of Name of Grantor.
(signature)
Notary Public
My Commission Expires

PLACEHOLDER FOR MPCA SIGNATURE PAGE

The MPCA signature page will be inserted when the hard copy of the ECE is received at the MPCA office for signature.	
Fill out the information on the next page. The county needs to know where to send the recorded ECE.	

THIS INSTRUMENT WAS DRAFTED BY AND WHEN RECORDED RETURN TO:

Roy Christensen Johnson, Killen & Seiler, P.A. 230 West Superior Street, Suite 800 Duluth, MN 55802

Exhibit 1: Location of Property



Exhibit 2: Legal Description

All that part of the Northwest Quarter of the Northeast Quarter of Section 26, Township 67 North, Range 17 West of the Fourth Principal Meridian further described as follows:

Beginning at a point on the North Line of said Section 26, 810.52 west of the northeast corner of said Northwest Quarter of the Northeast Quarter of Section 26, and assigning a bearing of North 87 degrees 35 minutes 45 seconds West to said north line of Section 26, thence South 02 degrees 24 minutes 15 seconds West 230.00 feet; thence North 87 degrees 35 minutes 45 seconds West 6.39 feet; thence South 01 degree 16 minutes 52 seconds East 176.36 feet; thence South 87 degrees 35 minutes 45 seconds East 831.72 feet to the east line of Northwest Quarter of the Northeast Quarter of Section 26; thence South 01 degree 16 minutes 52 seconds East along said east line 742.75 feet to the northerly right of way of County Road 425; thence South 65 degrees 54 minutes 11 seconds West 50.61 feet; thence South 55 degrees 41 minutes 14 seconds West 71.98 feet; thence North 45 degrees 32 minutes 22 seconds West 129.68 feet; thence South 58 degrees 10 minutes 15 seconds West 138.16 feet; thence South 16 degrees 34 minutes 34 seconds East 98.90 feet to the south line of the said Northwest Quarter of the Northeast Quarter; thence North 88 degrees 40 minutes 34 seconds West along the south line of the said Northwest Quarter of the Northeast Quarter 435.21 feet; thence North 01 degree 19 minutes 26 seconds East 25.00 feet; thence

North 88 degrees 40 minutes 34 seconds West 75.00 feet; thence South 01 degree 19 minutes 26 seconds West 8.97 feet; thence North 88 degrees 40 minutes 34 seconds West 213.62 feet; thence South 01 degree 19 minutes 26 seconds West 16.03 feet to the south line of the said Northwest Quarter of the Northeast Quarter; thence North 88 degrees 40 minutes 34 seconds West along the south line of the said Northwest Quarter of the Northeast Quarter 313.24 feet to the Southwest corner of the Northwest Quarter of Northeast Quarter of said Section 26; thence North 00 degrees 54 minutes 25 seconds West along the north-south ½ line of said Section 26 a distance of 758.44 feet to the southerly right of way of County Road 24; thence northeasterly along a non-tangential curve concave to the northwest, the center of which bears North 60 degrees 29 minutes 26 seconds West with a radius of 418.00 feet and a central angle of 42 degrees 33 minutes 31 seconds a distance of 310.49 feet; thence North 13 degrees 02 minutes 57 seconds West tangent to said curve 82 feet more or less to the south shore of Crane Lake thence southerly, easterly, and northeasterly along the said shoreline 360 feet more or less to a point on the north line of Section 26; thence South 87 degrees 35 minutes 45 seconds East 238 feet more or less to the point of beginning;

EXCEPT

That part of the Northwest Quarter of the Northeast Quarter (NW ¼ of NE ¼) of Section 26, Township 67 North, Range 17 West, Fourth Principal Meridian, according to the US Government Survey thereof, lying within the following described figure:

Commencing at the northeast corner of the said NW ½ of NE ½; thence North 87 degrees 52 minutes 36 seconds West, along the north line of said NW ¼ of NE ¼, a distance of 810.52 feet to a point on the north line of the said NW ¼ of NE ¼, said point being formerly known as the

northeast corner of Unit 13 of AMENDMENT TO COMMON INTEREST COMMUNITY PLAT NUMBER 84, according to the recorded plat thereof, Document Number 1225113, Saint Louis County, Minnesota, and the POINT OF BEGINNING; thence South 02 degrees 07 minutes 24 seconds West, along the east line of said Unit 13, a distance of 230.00 feet to the southeast corner of said Unit 13; thence North 87 degrees 52 minutes 36 seconds West, along the south line of said Unit 13, a distance of 6.39 feet; thence North 81 degrees 18 minutes 35 seconds West, along the said south line, a distance of 77.96 feet; thence South 54 degrees 54 minutes 00 seconds West a distance of 40.47 feet; thence North 26 degrees 22 minutes 22 seconds West a distance of 70.62 feet to an angle point on the southerly line of said Unit 13; thence North 45 degrees 49 minutes 07 seconds West, along the southwesterly line of said Unit 13 and its northwesterly extension, a distance of 107.96 feet; thence North 19 degrees 16 minutes 22 seconds East a distance of 116.35 feet to the north line of the said NW ¼ of NE ¼; thence South 87 degrees 52 minutes 36 seconds East, along said line, a distance of 195.61 feet to the Point of beginning and there terminating.

Exhibit 3: Location of VMS in Property Building

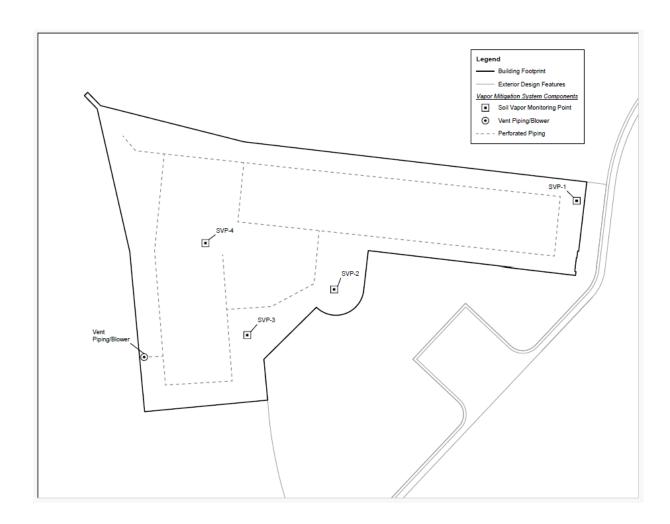


Exhibit 4: 0&M Plan

Exhibit 5: Interests and Encumbrances for Property

- 1) Utility Easement to Northern Electric Cooperative Association dated February 13, 1991, filed as Document Number 517251
- 2) Sewer Easement to Crane Lake Water & Sanitary District dated August 8, 2005, filed as Document Number 993992.
- 3) Highway Easement to St. Louis County Minnesota dated April 19, 2013, filed as Document Number 1213646.

LCCMR c/o Michael L. Varien Assistant Director May 19, 2025 Page 10

EXHIBIT F

Aerial map showing easement area



LCCMR c/o Michael L. Varien Assistant Director May 19, 2025 Page 11

EXHIBIT G

Aerial map showing locations of sites to be accessed

