

John Velin, Director

LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

MINUTES

Monday, October 22, 2007

8:30 a.m. – 5:30 p.m.

Room 5, State Office Bldg,

100 Rev. Dr. Martin Luther King Jr. Blvd.

St. Paul, MN 55155

Co-Chair: David Hartwell

Commission Members Present: Sen. Ellen Anderson, Al Berner, Jeffrey Broberg, Rep. Lyndon Carlson, Rep. Ron Erhardt, Sen. Dennis Frederickson, Nancy Gibson, David Hartwell, John Herman, John Hunt, Mary Mueller, Rep. Kathy Tingelstad, Sen. Pat Pariseau, Rep. Tom Rukavina, Sen. Jim Vickerman, Rep. Jean Wagenius.

Staff Present: J. Velin, S. Thornton, M. McDonough, M. Banker, D. Griffith

Excused: Sen. Satveer Chaudhary

David Hartwell called the meeting to order at 8:35 a.m.

1. Approve agenda. Berner moved approval . Motion passed
2. Members report potential conflicts of interest regarding today's business
3. Conduct proposal presentation as adopted and directed on October 9, 2007
4. Proposal presentations every 30 minutes starting at 8:30 a.m. and ending at 5:00 p.m. with lunch break. Proposal presentation schedule for October 22, 2007 at <http://www.lccmr.leg.mn/RequestforProposals/2008/October22.pdf>

(schedule attached)

Recessed for lunch at 12:11 p.m. to return at 12:59 p.m. David Hartwell began the afternoon with approval of the minutes for Oct. 9, 10, 15, and 16. Pariseau moved to approve the minutes for Oct. 9, 10, 15, and 16 – motion prevailed.

DNR Commissioner Holsten discussed Line #104 titled "Public Land for Minnesotans". Rep. Lyndon Carlson asked about the legality of tying up future legislative funds and is there going to be a request before the capitol investment committee and what other sources of revenue are you looking at? Commissioner Holsten said that the portion of proceeds would be obligated in the bill this year for all future years (this would be ~\$12 - \$17 million per biennium through 2033). Sen. Dennis Frederickson asked if it was revenue bonds or G.O. bonds. Commissioner Holsten said they weren't sure yet. Revenue bonds need to show where the funds are coming from.

John Herman asked if he could speculate what would happen if the dedicated funding passes. Commissioner Holsten said in three years if the dedicated funding passed it would become available and this would be an example of how those dollars could be used.

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Rep. Jean Wagenius asked why the LCCMR should be allowed to pass along fiscal tails when neither finance committee is allowed to pass along tails to the full Legislature. Commissioner Holsten said this is no different than general funds. Rep. Wagenius asked if the Legislature would be paying for the bonding receipts forever and "Why wouldn't this be considered supplanting?" Commissioner Mark Holsten said this bond money would not fall in the general fund limit of 3%.

Jeff Broberg asked about other leverage. Commissioner Holsten said that there are some matching dollars specified.

Nancy Gibson asked if there was a way to unbundle the proposal and whether U.S. Steel would wait and see what happens with dedicated funding. Commissioner Mark Holsten said the LCCMR commission could split it any way they want and that they could ask U.S. Steel if they could wait and see what they would say.

Rep. Tom Rukavina said his calls are about 60 – 40 against Lake Vermillion. Rep. Rukavina asked "How much land is owned by the State of Minnesota?" Commissioner Holsten said that he did not know how much land is publicly owned on Lake Vermillion. Commissioner Holsten will get the numbers for the Commission.

Sen. Ellen Anderson is not convinced that this should be spent with LCCMR money and not bonding money. Sen. Anderson said that she would like more clarification. Commissioner Holsten said that their bonding would be for more capital building infrastructure and 86a (Outdoor Recreation Act) instead. Sen. Anderson said, "She would like to see in writing what their bonding request would be with or without Trust Fund money".

Dorian Grilley discussed Line #106 titled "Greenleaf Lake State Recreation Area Land Acquisition". He explained that they are reducing their amount requested from \$3,000,000 to \$2,400,000 due to other funds made available.

5. Discussion of scoring for final selections

John Velin started the discussion on the score sheet that is due to staff on Tuesday, October 23, 2007 by 4:00 p.m. Al Berner moved to change the High / Medium / No to be scored 10 pts for High, 5 pts for Medium and 0 pts for No – motion prevailed.

Jeff Broberg moved to change the due date to October 25, 2007 to 8:00 a.m. – motion prevailed. Mary Mueller moved to have a line for an Emerging Issues Account. Motion passed.

Next Meeting is on Monday, October 29, 2007 Co Chair is Sen. Jim Vickerman

Meeting adjourned at 5:00 p.m.

Respectfully submitted

