
Susan Thornton, Director

MINUTES

Wednesday, June 9, 2010

9:00 a.m. – 3:15 p.m.

State Office Building, Room 5

St. Paul, MN 55155

Members Present: Sen. Ellen Anderson, Al Berner, Jeff Broberg, Rep. Lyndon Carlson, Sen. Dennis Frederickson, Nancy Gibson, John Herman, Rep. Larry Howes, Norman Moody, Sen. Pat Pariseau, Rep. Ron Shimanski, Sen. Jim Vickerman, Rep. Jean Wagenius, Elizabeth Wilkens

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

Members Excused: Sen. Satveer Chaudhary, Mary Mueller, Rep. Tom Rukavina

Co-Chair: Sen. Jim Vickerman

1. Approve agenda for LCCMR meeting for June 9, 2010

Commissioner Vickerman called the meeting to order at 9:10 a.m.

MOTION: Commissioner Moody moved to approve the agenda for June 9, 2010 – motion prevailed.

2. Approve minutes for June 3, 2010

MOTION: Commissioner Frederickson moved to approve the minutes for June 3, 2010 – motion prevailed.

3. Members report potential conflicts of interest regarding today's business

LCCMR Operating Procedures Adopted September 23, 2008:

7. Conflicts of interest prohibitions and procedures

The conflict of interest Statute for the Trust Fund was first adopted in 1988 and amended in 2006:

MS 116P.09 Subd 6 Conflict of interest. *A commission member, technical advisory committee member, a peer review panelist, or an employee of the commission may not participate in or vote on a decision of the commission, technical advisory committee, or peer review panel relating to an organization in which the member, panelist, or employee has either a direct or indirect personal financial interest. While serving on the commission, technical advisory committee, or peer review panel, or being an employee of the commission, a person shall avoid any potential conflict of interest.*

The LCCMR has strict rules governing conflict of interest to ensure fairness in the proposal review and recommendations process. These restrictions include:

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Conflict of Interest Prohibitions

- A person may not serve as a project manager for a proposal pending before the LCCMR if the person is a member or serves on a relevant technical advisory or peer review panel.
- A LCCMR member, technical advisory or peer review panel member may not receive direct personal financial benefit from a proposal being reviewed or funded.

Conflict of Interest to be Managed through Procedures:

Legislative and Non-legislative citizen members of the LCCMR have been appointed because of their interest and expertise in various aspects of Minnesota's natural resources. In addition, peer review and technical review panel members have been appointed by the LCCMR because of their expertise. Nevertheless, certain affiliations may constitute a conflict of interest that must be managed by the LCCMR. They include:

- receipt of indirect personal financial benefit from a proposing organization or proposal being reviewed
- serving as an employee or governing board member of a proposing organization whose proposal is being reviewed
- serving with or without payment as a consultant to a proposer on the proposal being reviewed by LCCMR
- having a family relationship with a proposer or a staff or board member of a proposing organization

A conflict of interest must be identified before or during the initial proposal review process. The member must send a letter to the chair of the LCCMR addressed to the LCCMR office declaring the conflict of interest. Declaring a conflict of interest means that member may not advocate for or against the proposal or vote on the proposal.

In addition, existing law and institutional policies on conflict of interest cover the LCCMR members and staff and other legislative staff.

Commissioner Gibson stated she would be writing a letter regarding the 2011-2012 proposals that are a conflict of interest.

Commissioner Wilkens sent a letter dated June 7, 2010 by email that stated a conflict of interest with LCCMR ID: 190-G, "Students and Citizens Partnering to Protect Water" (Attachment 1). Commissioner Wilkens said she is a water quality monitor volunteer with Kanabec County SWCD and Water Board.

Commissioner Moody handed out a letter dated June 8, 2010 that stated a conflict of interest with LCCMR ID: 165-F3+4, "Sustainable Energy Practices: Residential Environmental Learning Centers (RELCs) Phase 2" because he serves on the executive committee of the Deep Portage Foundation (Attachment 2).

Commissioner Herman raised several questions about potential conflict of interests with the proposals and stated he would write a letter outlining all conflict of interests.

Commissioner Carlson raised the issue of family members working for the U of MN or MN State Colleges and Universities (MnSCU) whether they should be considered as part of a larger class of employees and whether the procedures would apply to this circumstance. Staff stated they would review questions raised and follow up with the members on individual questions.

Members discussed the procedures further and Commissioner Fredickson clarified that it was important to also consider perception in addressing members conflict of interest.

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4. **Overview Groundwater Sustainability and Water Sustainability Framework** **Deb Swackhamer, University of Minnesota**

Dr. Deb Swackhamer presented an overview of Groundwater, Sustainability and Water Sustainability Framework. Members discussed multiple topics including arsenic in wells, irrigation, and impact of climate change.

5. **M.L. 2010, Chp. 362, Environment and Natural Resources Trust Fund work program approval**

Proposed work programs can be viewed after May 28 at: <http://www.lccmr.leg.mn>

Consideration of the State Park work programs were considered first to accommodate presenters schedules.

b. Work program presentations

Larry Peterson presented an overview of Subd. 4c, "State Park Improvements" and Subd. 4d, "State Park Acquisition".

- **Subd. 4d, "State Park Acquisition" \$1,750,000 – DNR**

MOTION: Commissioner Herman moved to approve Subd. 4d, "State Park Acquisition" – motion prevailed.

- **Subd. 4c, "State Park Improvements" \$814,000 – DNR**

MOTION: Commissioner Gibson moved to approve Subd. 4c, "State Park Improvements" – motion prevailed.

a. Consider adoption of proposed consent list

- Susan Thornton explained the Work Program Approval Staff recommended Consent List and the criteria used. Ms. Thornton explained that the appropriations under Subd. 4f, "Minnesota's Habitat Conservation Partnership Supplemental (HCP)" and Subd. 4g, "Metropolitan Conservation Corridors Supplemental (MeCC)" are recommended to be approved contingent on the 2009 expenditures be finished or a plan to transition to 2010 is approved by LCCMR staff. LCCMR staff would report to the LCCMR on the contingency being met.
- Staff recommends that Subd. 4f2n/4f, "HCP – Restoration", The Nature Conservancy (TNC) should be presented to the LCCMR at a later date pending clarification of revenue derived from the proposed activities in the work program.
- Subd. 4f2f, "HCP – Shallow Lake Habitat Enhancement and Wild Rice Enhancement and Monitoring", Leech Lake Band of Ojibwe does not have a 2009 appropriation and is recommended to be approved at this time.
- Susan Thornton state that Subd. 7a, "Algae for Fuels Pilot Project", U of MN was not on the recommended consent list as some budget information and other clarifications are needed and it should be considered at a later date.

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MOTION: Commissioner Berner moved to approve the Work Program Approval for the Staff recommended Consent List.

On the work program approval list the following contingencies apply.

- 1) Subparts of Subd. 4f, "Minnesota's Habitat Conservation Partnership Supplemental (HCP)" and Subd. 4g, "Metropolitan Conservation Corridors Supplemental (MeCC)" are contingent on 2009 expenditures being finished or a plan to transition to 2010 being approved by LCCMR staff. LCCMR staff are to report to the LCCMR Members on the contingency being met.
 - 1a) Subd. 4f, "Minnesota's Habitat Conservation Partnership Supplemental (HCP)" – Subd. 2n/4f, "HCP – Restoration" was not on the consent list so is not approved at this time.
- 2) Subd. 4f, "Minnesota's Habitat Conservation Partnership Supplemental (HCP)" – Subd. 4f2f, "HCP – Shallow Lake Habitat Enhancement and Wild Rice Enhancement and Monitoring" is approved because they do not have a 2009 appropriation.
- 3) Subd. 7a, "Algae for Fuels Pilot Project", U of MN was not on the consent list so is not approved at this time.
- 4) Subd. 4c, "State Park Improvements" and Subd. 4d, "State Park Acquisition" are not included in this motion because approved in an earlier motion.

– motion prevailed.

c. Decide on work programs to be scheduled at a later date

No further action was taken.

6. Discussion of possible topic overviews related to 2011-12 RFP Funding Priorities

Staff stated that an overview of Clean Water Legacy Fund grants would be scheduled.

7. Select 2011-2012 proposals to the Environment and Natural Resources Trust Fund for further consideration and presentation

Members started the discussions of the 2011-2012 proposals. Commissioner Wagenius recommended that members consider geographic locations and the funding recommended within issue area categories. Commissioners Carlson and Frederickson said while the bill is going through the legislative process the legislators are interested in the balance within the state geographically, issues and recipients. Commissioner Frederickson stated that balance could be achieved across 2 or 3 biennia.

Susan Thornton reminded members that staff has a file of support letters received on proposals and they are available for review.

MOTION – Commissioner Gibson moved to have all proposals receiving a member score of "5" or higher be considered during discussion for a presentation time and to have members start discussion of proposals that have a member score of "4" or less.

Commissioner Carlson moved to amend Commissioner Gibson's motion to have proposals with a score of 6 or higher receive a presentation unless there is a motion to remove one – motion withdrawn.

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Commissioner Gibson renewed her motion to have all scores receiving a member score of “5” or higher receive initial consideration for a presentation and to have members go through each category and to begin with a review of categories lacking representation with a score of “5” and above “Category E. Aquatic and Terrestrial Invasive Species” and “Category F. Climate Change, Renewable Energy, and Air Quality” – motion prevailed.

Members began discussion of “Category G. Environmental Education”

MOTION - Commissioner Wagenius moved to recommend LCCMR ID: 191-G, “Community-Based Approach to Reducing Estrogenic Water Contaminants” for a presentation to the LCCMR - motion prevailed.

Commissioner Herman indicated he thought they were starting at “Category H. Other Ideas” since it was a small category. Members moved to a “Category H. Other Ideas discussion”.

MOTION - Commissioner Moody moved to remove LCCMR ID: 216-H, “Helping the Canada Lynx Population in Minnesota Recover” from the tentative presentation schedule - motion withdrawn.

MOTION - Commissioner Frederickson requested staff to ask the DNR to submit a revised proposal for LCCMR ID: 215-H, “Lake Vermillion State Park Development” that would not use general revenue bonds but have development options to facilitate early use of the park. They should provide various levels of funding scenarios. – motion prevailed.

Members finalized discussing “Category H. Other Ideas” and returned to “Category G. Environmental Education”.

MOTION - Commissioner Carlson moved to recommend LCCMR ID: 185-G, “UrbanWatch: Environmental Education for Urban Youth” for a presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Gibson moved to recommend LCCMR ID: 189-G, “Following Eagles to Link Students and Nature” for a presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Berner moved to recommend LCCMR ID: 198-G, “Integrating Hmong Hunting and Fishing Heritage into Management” for a presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Wilkens moved to recommend LCCMR ID: 188-G, “Conservation Corps Statewide Low-Income Solar Home Heating” because it had capital funding activities not allowed in the “Category G. Environmental Education” and move it to renewable energy (“Category F. Climate Change, Renewable Energy, and Air Quality”). Members agreed with Susan Thornton’s recommendation to put a note on the proposal that it was both environmental education and renewable energy rather than changing proposal numbers – motion prevailed.

MOTION - Commissioner Wilkens moved to recommend LCCMR ID: 179-G, “Minnesota Junior Master Naturalist: An After-School Program” for a presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Wilkens moved to recommend LCCMR ID: 194-G, “Minnesota Outdoor Classrooms: Professional Development” for a presentation to the LCCMR - motion withdrawn.

MOTION - Commissioner Anderson moved to recommend LCCMR ID: 186-G, “YES!(2.0) 30 Renewable Energy and Energy Conservation Projects” for a presentation to the LCCMR - motion prevailed.

Members finalized discussing “Category G. Environmental Education” and began discussing “Category F. Climate Change, Renewable Energy, and Air Quality”.

MOTION - Commissioner Moody moved to recommend LCCMR ID: 156-F3+4, “Supporting Community-Driven Sustainable Bioenergy Projects” for a presentation to the LCCMR - motion prevailed.

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Commissioner Anderson suggested they discuss the following proposals:

LCCMR ID: 150-F3+4, "Alternative Biofuel Crops to Conserve Water and Soil" ;

LCCMR ID: 154-F3+4, "Mitigating Climate Change through Biochar, a Biomass Byproduct";

LCCMR ID: 148-F3+4, "Cost-Effective, Efficient Geothermal Heat Pump Systems";

LCCMR ID: 153-F3+4, "Low Environmental Impact Sustainable Neighborhoods"; and

LCCMR ID: 157-F3+4, "Optimizing Biogas' Role in Meeting Minnesota's Energy Goals".

Commissioner Moody also asked about the vetoed project M.L. 2010, Chp. 362, Sec. 2, Subd. 7e, "Analysis of Options for Minnesota's Energy Independence" by Melisa Pollack (U of MN) and a 2010 proposal received LCCMR ID: 049-B1, "An Analysis of Biofuel Alternatives for Minnesota" by Jim Bowyer (Dovetail Partners, Inc.)

MOTION - Commissioner Wagenius moved to recommend LCCMR ID: 157-F3+4, "Optimizing Biogas' Role in Meeting Minnesota's Energy Goals" for a presentation to the LCCMR.

Commissioner Anderson moved to amend Commissioner Wagenius's motion to add LCCMR ID: 153-F3+4, "Low Environmental Impact Sustainable Neighborhoods" and LCCMR ID: 148-F3+4, "Cost-Effective, Efficient Geothermal Heat Pump Systems".

Commissioner Wagenius renewed her motion with Commissioner Anderson's suggested amendment to recommend:

LCCMR ID: 157-F3+4, "Optimizing Biogas' Role in Meeting Minnesota's Energy Goals";

LCCMR ID: 153-F3+4, "Low Environmental Impact Sustainable Neighborhoods"; and

LCCMR ID: 148-F3+4, "Cost-Effective, Efficient Geothermal Heat Pump Systems" for presentations to the LCCMR - motion prevailed.

MOTION - Commissioner Herman moved to recommend LCCMR ID: 142-F1+2+5, "Industry Sector and Community Emission-Reduction Program" give a presentation to the LCCMR – the voice vote on the motion was in doubt. Commissioner Frederickson called for a division (5 – yes \ 7 no) – motion did not prevail.

MOTION - Commissioner Broberg moved to remove LCCMR ID: 167-F3+4, "Protecting Minnesota's Aquifers: Zero-Discharge Ethanol Plant Wastewater Reuse" for a presentation to the LCCMR - motion prevailed.

Members finalized discussing "Category F. Climate Change, Renewable Energy, and Air Quality" and began discussing "Category E. Aquatic and Terrestrial Invasive Species".

MOTION - Commissioner Vickerman moved to recommend that the following proposals receiving a score of "5" or higher for presentation to the LCCMR:

LCCMR ID: 118-E, "Improved Detection of Harmful Microbes in Ballast Water"

LCCMR ID: 119-E, "Research and Implementation of Emerald Ash Borer Biocontrol"

LCCMR ID: 120-E, "Risk Assessment for Proactive Response to Forest Pests"

LCCMR ID: 123-E, "Switchgrass: A Biofuel Crop or Invasive Species?"

LCCMR ID: 124-E, "Landscape Management of EAB: Nontarget Consequences"

LCCMR ID: 126-E, "Community Grants to Suppress EAB on Private Lands"

Commissioner Moody discussed the removal of LCCMR ID: 126-E, "Community Grants to Suppress EAB on Private Lands" for presentation to the LCCMR.

Commissioner Wagenius moved to amend Commissioner Vickerman's motion to ask members to ask DNR to submit a revised proposal to include creative ways for entrepreneurial reuse of the wood in partnership with other appropriate agencies for LCCMR ID: 126-E, "Community Grants to Suppress EAB on Private Lands".

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MOTION: Commissioner Vickerman accepted Commissioner Wagenius's amendment and renewed his motion – motion prevailed.

Members finalized discussing "Category E. Aquatic and Terrestrial Invasive Species" and began discussing "Category D. Land Acquisition for Habitat and Recreation".

MOTION - Commissioner Frederickson moved to recommend in Category D the following 2011-2012 proposals receiving a score of 5 or above for presentation to the LCCMR:

LCCMR ID: 101-D, "SNA Acquisition, Restoration, Enhancement & Citizen Engagement";
LCCMR ID: 102-D, "Native Prairie Stewardship and Native Prairie Bank Acquisition";
LCCMR ID: 103-D, "Metropolitan Regional Park System Land Acquisition";
LCCMR ID: 104-D, "MeCC 6 - Overall Metropolitan Conservation Corridors (MeCC) Summary";
LCCMR ID: 105-D, "State Parks and Trails Land Acquisition";
LCCMR ID: 106-D, "HCP 7 - Overall Habitat Conservation Partnership Summary";
LCCMR ID: 107-D, "Natural and Scenic Area Acquisition";
LCCMR ID: 109-D, "Regional Park, Trail, and Connections Acquisition and Development";
LCCMR ID: 110-D, "Minnesota's Critical Lands - Acquisition, Restoration & Research";
LCCMR ID: 112-D, "LaSalle Lake: Protecting Critical Mississippi River Headwaters Lands";

and LCCMR ID: 116-D, "Minnesota River Valley Green Corridor Project Phase II" - motion prevailed.

Members finalized discussing "Category D. Land Acquisition for Habitat and Recreation" and began discussing "Category C. Methods to Protect, Restore, and Enhance Land and Habitat".

MOTION - Commissioner Wagenius moved to recommend LCCMR ID: 089-C3+4, "Measuring Conservation Outcomes with New and Revised Estimators" for presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Moody moved to recommend LCCMR ID: 087-C3+4, "Sensitive Lakeshore Identification in Itasca County" for presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Berner moved to recommend LCCMR ID: 071-C1+2, "Controlling Encroachment of Woody Vegetation in Grasslands." for presentation to the LCCMR - motion prevailed.

MOTION - Commissioner Pariseau moved to recommend LCCMR ID: 077-C3+4, "Shoreland Incentives II: Natural Filters on Private Lands" for presentation to the LCCMR - motion prevailed.

Members finalized discussing "Category C. Methods to Protect, Restore, and Enhance Land and Habitat" and began discussing "Category A. Natural Resources Data and Information" and "Category B. Water Resources".

MOTION – Commissioner Wagenius moved to recommend in "Category A. Natural Resources Data and Information" and "Category B. Water Resources" which includes the following 2011-2012 proposals receiving a score of 5 or above for presentation to the LCCMR:

LCCMR ID: 001-A1, "Minnesota County Biological Survey (continuation)";
LCCMR ID: 002-A1, "MGS County Geologic Atlases for Sustainable Water Management";
LCCMR ID: 003-A1, "County Geologic Atlases Part B for Seven Counties";
LCCMR ID: 004-A1, "Updating the National Wetland Inventory for Minnesota: Phase3";
LCCMR ID: 007-A1, "The Completion of a Statewide Digital Soil Survey";
LCCMR ID: 008-A1, "Final Phase of the Minnesota Breeding Bird Atlas";
LCCMR ID: 009-A1, "Determining Causes of Death in Declining Moose Populations";
LCCMR ID: 013-A1, "Golden Eagle Research Project";

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LCCMR ID: 015-A2, "Strengthening Natural Resource Management with LiDAR Training";
LCCMR ID: 016-A2, "Common Ground: The Minnesota Environmental Mapping Commons";
LCCMR ID: 017-A2, "Drainage Records Modernization and Shared GIS Database";
LCCMR ID: 018-A2, "InVEST in Minnesota"; and
LCCMR ID: 020-A2, "WMA-AMA Work Planning Information System"

LCCMR ID: 025-B, "Ecosystem Transects to Monitor Lake Superior's Health";
LCCMR ID: 026-B, "Capture and Use of Groundwater Sustainability Data Pilot";
LCCMR ID: 027-B, "New Generation in Water Supply Management-Pilot Studies";
LCCMR ID: 028-B, "Mississippi Water Quality – Deeper Look, Broader Impacts";
LCCMR ID: 029-B, "Innovative Trout Stream Springshed Mapping in Southeast Minnesota-Continuation";
LCCMR ID: 030-B, "Minnesota River: Occurrence and Potential Significance of Antibiotics";
LCCMR ID: 031-B, "Understanding Groundwater Sustainability in the I-94 Growth Corridor";
LCCMR ID: 032-B, "Conservation-Based Approach for Assessing Public Drainage Benefits";
LCCMR ID: 035-B, "Potential Benefits of Perpetual Easements on Phosphorus Reduction";
LCCMR ID: 037-B, "Prioritizing Critical Restoration Sites in the Zumbro Watershed";
LCCMR ID: 038-B, "Waste Water Phosphorous Filtration Using Recycled By-Products"; and
LCCMR ID: 040-B, "Nutrient Retention by Vegetation in Southeast Minnesota Streams "
- motion prevailed.

MOTION – Commissioner Wagenius moved to adopt the presentation schedule to include all of the proposals receiving a score of 5 and above with the exception of proposals removed earlier by motion and adding additional proposals added in by earlier motions – motion prevailed.

- 8. Other business (as needed)
- 9. Adjourn

Meeting adjourned at 4:00 p.m.

Respectfully submitted,


