

LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

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Susan Thornton, Director

MINUTES

Thursday, June 25, 2015

9:00 a.m. – 4:00 p.m.

Rm. 5 State Office Building

St. Paul, MN 55155

Members Present: Jeff Broberg, Sen. Gary Dahms, Sen. Kari Dziedzic, William Faber, Nancy Gibson, Bonnie Harper-Lore, Sen. John Hoffman, Rep. Denny McNamara, Norman Moody, Rep. John Persell, Sen. David Tomassoni, Rep. Paul Torkelson, Rep. Jean Wagenius, Sen. Torrey Westrom

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

Members Excused: Rep. Tom Hackbarth, Gary Lamppa and Della Young

Co-Chair: Sen. David Tomassoni

1. Approve the minutes for June 11, 2015

Co-Chair Tomassoni started the meeting at 9:10 a.m.

MOTION: Commissioner Faber moved to approve the minutes for June 11, 2015 – motion prevailed.

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

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.

Members reported no conflicts of interest for today's meeting.

3. LCCMR Business Items

- **Approval of LCCMR FY16-17 Administration Budget**

MOTION: Commissioner Gibson moved to approve the LCCMR FY16-17 administrative budget – motion prevailed.

- **2015 Session Legislative Session Report – Part 2 of 2015 Legislative Session Report**
 - o **Review of legislative action of interest**
 - **M.L. 2015, Chp. 76 – Environment and Natural Resources Trust Fund**
 - **M.L. 2015, First Special Session, Chp. 2 – Omnibus Legacy Bill**
 - **M.L. 2015, First Special Session, Chp. 4 – Omnibus Agriculture, Environment and Natural Resources Appropriations Bill**
 - **M.L. 2015, First Special Session, Chp. 5 – Omnibus Bonding Bill**

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- **M.L. 2015, First Special Session, Chp. 1 – Omnibus Employment, Economic Development, Jobs and Energy Bill**

Susan Thornton provided an overview of the 2015 Session Report.

Susan Thornton continued review of the materials for agenda Item 3.

- **Review the MN Constitution Art. XI, Sec. 14 “Environment and Natural Resources Trust Fund” and M.S. 116P**
- **Handout - Response to Dec. 2014 request to Outdoor Heritage Council (LSOHC) regarding cost sharing of “Conservation Easement Assessment and Valuation System Development”, U of MN, \$250,000**
- **Discussion on Emerging Issues Account Process**

Susan Thornton reviewed the Emerging Issues Account process. Members agreed to discuss the Emerging Issues Account at the LCCMR meeting on September 16-17. Commissioner Torkelson requested staff to post the availability of the emerging issues account on the LCCMR website.

4. Update on Aquatic Invasive Species Cooperative Research Center

- **M.L. 2012, Chp. 264, Art. 4, Sec. 3, “Aquatic Invasive Species Cooperative Research Center”, Sue Galatowitsch, U of MN, \$2,000,000 and M.L. 2013, Chp. 52, Sec. 2, Subd. 06a, “An Aquatic Invasive Species Research Center”, Sue Galatowitsch, U of MN, \$,700,000**

Sue Galatowitsch (U of MN) provided an overview of the Aquatic Invasive Species Cooperative Research Center. Members requested Ms. Galatowitsch send the amount that has been leveraged against the LCCMR dollars.

5. Amendment request M.L. 2013, Chp. 52, Sec. 2, Subd. 03d “Updating the National Wetland Inventory for Minnesota – Phase IV”, Steve Kloiber, MN DNR, \$1,000,000 to fund classified staff. LCCMR approval required per M.S. 116P.09

Steve Kloiber discussed the amendment request for M.L. 2013, Chp. 52, Sec. 2, Subd. 03d “Updating the National Wetland Inventory for Minnesota – Phase IV”.

MOTION: Commissioner Persell moved to approve the amendment request for M.L. 2013, Chp. 52, Sec. 2, Subd. 03d “Updating the National Wetland Inventory for Minnesota – Phase IV” to fund classified staff – motion prevailed.

6. Overview - Toxic Blue-Green Algae Blooms – Steve Heiskary (MPCA)

Steve Heiskary (MPCA) provided an overview of Toxic Blue-Green Algae Blooms. Members discussed. Commissioner Wagenius requested staff to look at the proposals received that may be related to member’s discussions today.

Mr. Heiskary discussed research needs and was asked which are top priorities. Mr. Heiskary gave a list of research needs or what they need to know:

- Improve ability to predict when & where blue-green blooms will occur; [“early warning”]
- What conditions favor the production of toxins?
- Can these factors be controlled or moderated?
- Do toxins persists after bloom subsides? When is the water safe?
- Viable short-term remedies for reducing blue-green blooms? If so, impact on toxin production/release?
- What are safe levels of microcystin for contact recreation? [MPCA & MDH underway]

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- What are safe levels for source water for drinking & MC concentrations at intakes [MDH work underway]
- Health-related issues with consuming fish from lakes with HAB [MPCA & MDH underway]

Commissioner Gibson asked which item(s) on the list of research needs is a top priority. Mr. Heiskary replied to 'Improve ability to predict when & where blue-green blooms will occur; ["early warning"]' and then to be able to know when the water is safe again.

Members discussed this may be an option for the Emerging Issues Account.

7. M.L. 2015, Chp. 76, ENRTF work plan approval

M.L. 2015 ENRTF work plan approval and action. Proposed work plans, as available, can be viewed at <http://www.lccmr.leg.mn>

Mike Banker discussed the work plan consent agenda spreadsheet for the remaining 2015 work plans.

- A. Presentation - M.L. 2015, Chp. 76, Sec. 2, Subd. 06a, "Minnesota Invasive Terrestrial Species Research Center", Rob Venette, U of MN, \$5,000,000 (Review Priorities and Progress) and Update on M.L. 2014, Chp. 312, Sec. 8, "Invasive Terrestrial Plants and Pests Center", Rob Venette, U of MN, \$1,450,000 – Line 61**

Rob Venette (U of MN) and Heather Koop (U of MN) provided an overview of the Invasive Terrestrial Plants and Pests Center.

MOTION: Commissioner Moody moved to approve the update for M.L. 2014, Chp. 312, Sec. 8, "Invasive Terrestrial Plants and Pests Center", Rob Venette, U of MN, \$1,450,000 and the work plan for M.L. 2015, Chp. 76, Sec. 2, Subd. 06a, "Minnesota Invasive Terrestrial Species Research Center", Rob Venette, U of MN, \$5,000,000 - Line 61 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

8. DNR Overview of "Direct and Necessary" Calculator – Barb Juelich (MN DNR)

Barb Juelich (DNR) provided an overview of the Direct and Necessary calculator for the Minnesota Department of Natural Resources.

Commissioner Dahms requested DNR to return with information related to the fixed costs and management costs in the Direct and Necessary calculation.

9. Continue – M.L. 2015, Chp. 76, ENRTF work plan approval

- A. M.L. 2015, Chp. 76, Sec. 2, Subd. 3c, "Minnesota Biological Survey", Bruce Carlson, MN DNR, \$2,450,000 ("Direct and Necessary" LCCMR action) – Line 58**

Bruce Carlson (DNR) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 03c "Minnesota Biological Survey".

MOTION: Commissioner Faber moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 03c, "Minnesota Biological Survey", Bruce Carlson, MN DNR, \$2,450,000 – Line 58 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

AMENDMENT: Sen. Dahms moved to remove the proposed Direct and Necessary of \$110,688 for divisional and regional program management – Commissioner Faber agreed to the amendment.

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RENEWED MOTION: Commissioner Faber renewed his motion as amended to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 03c, "Minnesota Biological Survey", Bruce Carlson, MN DNR, \$2,450,000 – Line 58 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions and to remove the proposed Direct and Necessary of \$110,688 for divisional and regional program management and submit a revised work plan – motion prevailed.

Member recessed at 12:50 p.m. for lunch and reconvened at 1:25 p.m.

B. M.L. 2015, Chp. 76, Sec. 2, Subd. 3b, "County Geologic Atlas – Part B", Jan Falteisek, MN DNR, \$2,000,000 (Update needed on progress) – Line 57

Jan Falteisek (DNR) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 3b, "County Geologic Atlas – Part B".

MOTION: Commissioner Faber moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 3b, "County Geologic Atlas – Part B", Jan Falteisek, MN DNR, \$2,000,000 – Line 57 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions and to remove the proposed Direct and Necessary of \$83,490 for divisional and regional program management and submit a revised work plan – motion prevailed.

C. M.L. 2015, Chp. 76, Sec. 2, Subd. 3k, "Movement and Seasonal Habitat Use of Minnesota Elk", Gino D'Angelo, MN DNR, \$200,000 (Member request to review proposed research) – Line 59

Gino D'Angelo (DNR) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 03k, "Movement and Seasonal Habitat Use of Minnesota Elk".

MOTION: Commissioner Faber moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 3k, "Movement and Seasonal Habitat Use of Minnesota Elk", Gino D'Angelo, MN DNR, \$200,000 – Line 59 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

D. M.L. 2015, Chp. 76, Sec. 2, Subd. 09f, "Metro Conservation Corridors – Phase VIII Strategic Lands Protection", Robert McGillivray, The Trust for Public Land (TPL), \$750,000 (Review current reporting status and proposed acquisition) – Line 65

Robert McGillivray (The Trust for Public Land) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 09f, "Metro Conservation Corridors – Phase VIII Strategic Lands Protection".

Commissioner Wagenius asked about the transaction costs report for the Frogtown acquisition from M.L. 2013, Chp. 52, Sec. 2, Subd. 04k, "Frogtown Farm and Park Acquisition". Mr. McGillivray explained that this acquisition was in process for over five years. Commissioner Wagenius asked Mr. McGillivray to give staff a detailed accounting for this acquisition specific to the appropriation of actual legal transaction costs.

Susan Thornton asked who would hold the acquisition for the Keystone acquisition on the proposed acquisition list. Mr. McGillivray said it has not been determined if it would be the DNR or Washington County.

Commissioner McNamara asked if this was to avoid having it open to hunting. Commissioner McNamara requested to have presented at the LCCMR meeting on September 16-17 clarification

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of the process used by DNR to determine Scientific and Natural Areas (SNA) designation for hunting as a use.

MOTION: Commissioner Gibson moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 09f, "Metro Conservation Corridors – Phase VIII Strategic Lands Protection", Robert McGillivray, The Trust for Public Land, \$750,000 – Line 65 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

E. M.L. 2015, Chp. 76, Sec. 2, Subd. 04d, "Preventing Phosphorous from Entering Water Resources through Drain Tiles", Kenneth Valentas, U of MN, \$505,000 (LCCMR Action July 2014) – Line 60

Ken Valentas (U of MN) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 04d, "Preventing Phosphorous from Entering Water Resources through Drain Tiles".

MOTION: Commissioner Wagenius moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 04d, "Preventing Phosphorous from Entering Water Resources through Drain Tiles", Kenneth Valentas, U of MN, \$505,000 – Line 60 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

10 Presentation of the Easement Monitoring & Enforcement Account (M.L. 2015, First Special Session, Chp. 4, Art.4, Sec. 5 and Sec. 74) – Barb Juelich (MN DNR), Susan Damon (MN DNR), and Bill Penning (BWSR)

Barb Juelich (DNR), Susan Damon (DNR), Judy Schulte (DNR) and Bill Penning (BWSR) provided an overview of the Easement Monitoring & Enforcement Account (M.L. 2015, First Special Session, Chp. 4, Art.4, Sec. 5 and Sec. 74). Members discussed including the need to establish long-term reporting for the account.

11. Discuss of Water Quality Requirement for Easements as required in M.L. 2015, Chp. 76, Sec. 2, Subd. 14, paragraph (g)6 (page 35, lines 35.8 - 35.14)

Susan Thornton explained the water quality requirement for Easements as required in M.L. 2015, Chp. 76, Sec. 2, Subd. 14, paragraph (g)6.

12. Continue – M.L. 2015, Chp. 76, ENRTF work plan approval

A. M.L. 2015, Chp. 76, Sec. 2, Subd. 09d, "Native Prairie Stewardship and Prairie Bank Easement Acquisition", Judy Schulte, MN DNR, \$3,325,000 (Review Easement monitoring and enforcement account appropriation and water quality provision in easement template) – Line 63

Judy Schulte (DNR) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 09d, "Native Prairie Stewardship and Prairie Bank Easement Acquisition".

MOTION: Commissioner Dahms moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 09d, "Native Prairie Stewardship and Prairie Bank Easement Acquisition", Judy Schulte, MN DNR, \$3,325,000 – Line 63 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions and to remove the proposed Direct and Necessary of \$31,789 for divisional and regional program management and submit a revised work plan – motion prevailed.

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- B. M.L. 2015, Chp. 76, Sec. 2, Subd 09j, "Multi-benefit Watershed Scale Conservation on North Central Lakes", Dan Steward (BWSR) and Lindsey Ketchel (Leech Lake Area Watershed Foundation), \$950,000 (Review Easement monitoring and enforcement account appropriation and water quality provisions in easement template) – Line 66**

Dan Steward (BWSR) and Lindsey Ketchel (Leech Lake Area Watershed Foundation) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd 09j, "Multi-benefit Watershed Scale Conservation on North Central Lakes".

MOTION: Commissioner Moody moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd 09j, "Multi-benefit Watershed Scale Conservation on North Central Lakes", Dan Steward (BWSR) and Lindsey Ketchel (Leech Lake Area Watershed Foundation), \$950,000 – Line 66 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

- C. M.L. 2015, Chp. 76, Sec. 2, Subd. 09e, "Metro Conservation Corridors Phase VIII - Coordination and Mapping and Conservation Easements", Kris Larson, Minnesota Land Trust (MLT), \$515,000 (Review prioritization process and water quality provisions in easement template) – Line 64**

Mr. Larson was not available so members decided to delay the review until the September 16-17, 2015 meetings including discussion for ENRTF funded easements compliance with the newly adopted buffer law and the role of the state in easement amendments and enforcement.

- D. M.L. 2015, Chp. 76, Sec. 2, Subd. 08h, "Improving Community Forests Through Citizen Engagement", Ken Holman, MN DNR, \$800,000 (Legislative change of lead agency from MPCA to MN DNR) – Line 62**

Ken Holman (DNR) provided an overview of M.L. 2015, Chp. 76, Sec. 2, Subd. 08h, "Improving Community Forests Through Citizen Engagement".

MOTION: Commissioner Faber moved to approve M.L. 2015, Chp. 76, Sec. 2, Subd. 08h, "Improving Community Forests Through Citizen Engagement", Ken Holman, MN DNR, \$800,000 – Line 62 on the spreadsheet titled "M.L. 2015: Chp. 76, Sec. 2 – Environment and Natural Resources Trust Fund Work Plan" with the contingency that the notes in the work plan approval spreadsheet are incorporated into the approval conditions – motion prevailed.

- E. If available, M.L. 2015, Chp. 76, Sec. 2, Subd. 05a, "Trap Shooting Sports Facility", MN DNR, \$132,000 (New – added by Legislature) – Line 68**

Susan Thornton explained this work plan is not presently available.

- 13. DNR State Parks Purchase Request - M.L. 2015, Chp. 76, Sec. 2, Subd. 09a "State Parks and State Trails Land Acquisitions", DNR, Jennifer Christie, \$1,500,000**

Jennifer Christie provided an overview of the purchase request for M.L. 2015, Chp. 76, Sec. 2, Subd. 09a "State Parks and State Trails Land Acquisitions". Ms. Christie explained the DNR would like to exceed the appraised value by 9.2 % for Myre Big Island State Park with an agreement with the landowner to close by the end of 2015.

MOTION: Commissioner Wagenius moved to approve the request to pay more than the appraised value for M.L. 2015, Chp. 76, Sec. 2, Subd. 09a "State Parks and State Trails Land Acquisitions", DNR, Jennifer Christie, \$1,500,000 – motion prevailed.

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14. Discuss 2016 Environment and Natural Resources Trust Fund Proposals received and an overview of the selection process (Aug – Oct. 2015)

Mike Banker provided an overview of the 2015 Request for Proposal selection process used last year. Members confirmed to use the same process for the 2016 Request for Proposal selection process.

15. Other business

- Next LCCMR Meeting – Wed. – Thurs., September 16-17, 2015
- Optional – attend AIS Center Showcase on Sept. 16 and conduct LCCMR business on Sept. 17

Members agreed to cancel the tentative July 2015 meeting.

Commissioner McNamara requested a discussion by DNR regarding the DNR's direct and necessary costs and the impact of the removal of divisional and regional Direct and Necessary funding for the three DNR work plans approved today. Commissioner Dahms reiterated his request for DNR to return with information related to the fixed costs and management costs in the Direct and Necessary calculation.

Members concluded that they would keep their regular scheduled September 16 meeting and not attend the AIS Center Showcase.

16. Adjourn

The meeting adjourned at 3:45 p.m.


