

## Trust Fund 2009 Work Program

### Work Program Update

**Date of Report:** May 8, 2009  
**Date of Next Status Report:** November 1, 2009  
**Date of Work Program Approval:**  
**Project Completion Date:** June 30, 2010

**I. PROJECT TITLE:** Living Lakes Enhancement & Easements (Parts 2c & 3c)  
Minnesota's Habitat Conservation Partnership (HCP)

**Project Manager:** Jon Schneider, Manager – MN Conservation Programs  
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**Web Page Address:** [www.ducks.org](http://www.ducks.org)

**Location:** All work will be completed within the Habitat Conservation Partnership Project Areas 1-4 and 6-10.

<b>Total Trust Fund Project Budget:</b>	<b>Trust Fund Appropriation:</b>	\$	475,000
	<b>Minus Amount Spent:</b>	\$	<u>0</u>
	<b>Equal Balance:</b>	\$	475,000

**Legal Citation:** M.L. 2009, Chp. 143, Sec. 2, Subd. 4e2c3c

### **Appropriation Language:**

\$3,375,000 is from the trust fund to the commissioner of natural resources for the sixth appropriation for acceleration of agency programs and cooperative agreements. Of this appropriation, \$770,000 is for the Department of Natural Resources agency programs and \$2,605,000 is for agreements as follows: \$450,000 with Pheasants Forever; \$50,000 with Minnesota Deer Hunters Association; \$895,000 with Ducks Unlimited, Inc.; \$85,000 with National Wild Turkey Federation; \$365,000 with the Nature Conservancy; \$210,000 with Minnesota Land Trust; \$350,000 with the Trust for Public Land; \$100,000 with Minnesota Valley National Wildlife Refuge Trust, Inc.; \$50,000 with the United States Fish and Wildlife Service; and \$50,000 with Friends of Detroit Lakes Watershed Management District to plan, restore, and acquire fragmented landscape corridors that connect areas of quality habitat to sustain fish, wildlife, and plants. The United States Department of Agriculture-Natural Resources Conservation Service is a cooperating partner in the appropriation. Expenditures are limited to the project corridor areas as defined in the work program. Land acquired with this appropriation must be sufficiently improved to meet at least minimum habitat and facility management standards as determined by the commissioner of natural resources. This appropriation may not be

used for the purchase of residential structures, unless expressly approved in the work program. All conservation easements must be perpetual and have a natural resource management plan. Any land acquired in fee title by the commissioner of natural resources with money from this appropriation must be designated as an outdoor recreation unit under Minnesota Statutes, section 86A.07. The commissioner may similarly designate any lands acquired in less than fee title. A list of proposed restorations and fee title and easement acquisitions must be provided as part of the required work program. All funding for conservation easements must include a long-term stewardship plan and funding for monitoring and enforcing the agreement. To the maximum extent practical, consistent with contractual easement or fee acquisition obligations, the recipients shall utilize staff resources to identify future projects and shall maximize the implementation of biodiverse, quality restoration projects in the project proposal into the first half of the 2010 fiscal year.

## **II. PROJECT SUMMARY AND RESULTS:**

DU will help state and federal wildlife conservation agencies improve (Part 2c) and protect (Part 3c) managed shallow lakes for waterfowl wildlife within HCP project areas through DU bio-engineering services to design and construct water control structures and by securing permanent DU conservation easements.

To improve shallow lakes (Part 2c), DU will provide bio-engineering assistance to design water structures that the Minnesota DNR and U.S. Fish & Wildlife Service (USFWS) managers can use to enhance water quality and rejuvenate wetland ecology (aquatic plants and invertebrates). Work will include engineering four (4) water control and/or fish barrier structures for shallow lake outlets, enhancing one (1) or more shallow lakes totaling 100 acres or more by constructing a lake outlet water control structure or fish barrier, and providing technical assistance to DNR, USFWS, and private landowners to develop new shallow lake enhancement projects in HCP project areas.

To protect shallow lakes (Part 3c), DU will work with private landowners to secure permanent conservation easements on managed shallow lakes. These may include both prairie shallow lakes and forested wild rice lakes managed for wildlife by the Minnesota DNR. DU land protection staff will work with private landowners to purchase or secure donated permanent conservation easements on 200 acres of shoreland or lake outlet tracts. The goal is to protect managed shallow lakes by limiting future shoreland subdivision and development, and to protect outlets and secure permanent access to them for management. Priority shallow lakes will be those actively managed by DNR.

## **III. PROGRESS SUMMARY:**

All Habitat Conservation Partnership progress summaries (twice annually) will be generated by the Partnership online reporting system. This system provides an accomplishment, expenditure and narrative update to LCCMR for each individual work plan.

## IV. OUTLINE OF PROJECT RESULTS:

### Result 1: Living Lakes Enhancement (HCP Part 2c)

#### Description:

DU will provide bio-engineering assistance to the Minnesota DNR, U.S. Fish & Wildlife Service (USFWS), and private landowners to develop shallow lake improvement projects that enhance water quality and wetland ecology (aquatic plants and invertebrates) for both wildlife and human benefit. DU provide the Minnesota DNR or USFWS with engineering survey and design plans of four (4) new water control and/or fish barrier structures on shallow lake outlets, enhance one (1) or more shallow lakes totaling 100 acres or more by constructing an outlet structure or fish barrier, and providing general technical assistance to DNR, USFWS, and private landowners to develop new shallow lake projects in HCP project areas. ETF funds will be used to pay contractors and consultants as well as DU staff biologists and engineers to survey, design and implement projects, provide technical assistance to agencies, and to administer this grant. A list of potential projects and a map follows for enhancements:

#### Potential Project List\* Enhancements Part 2C

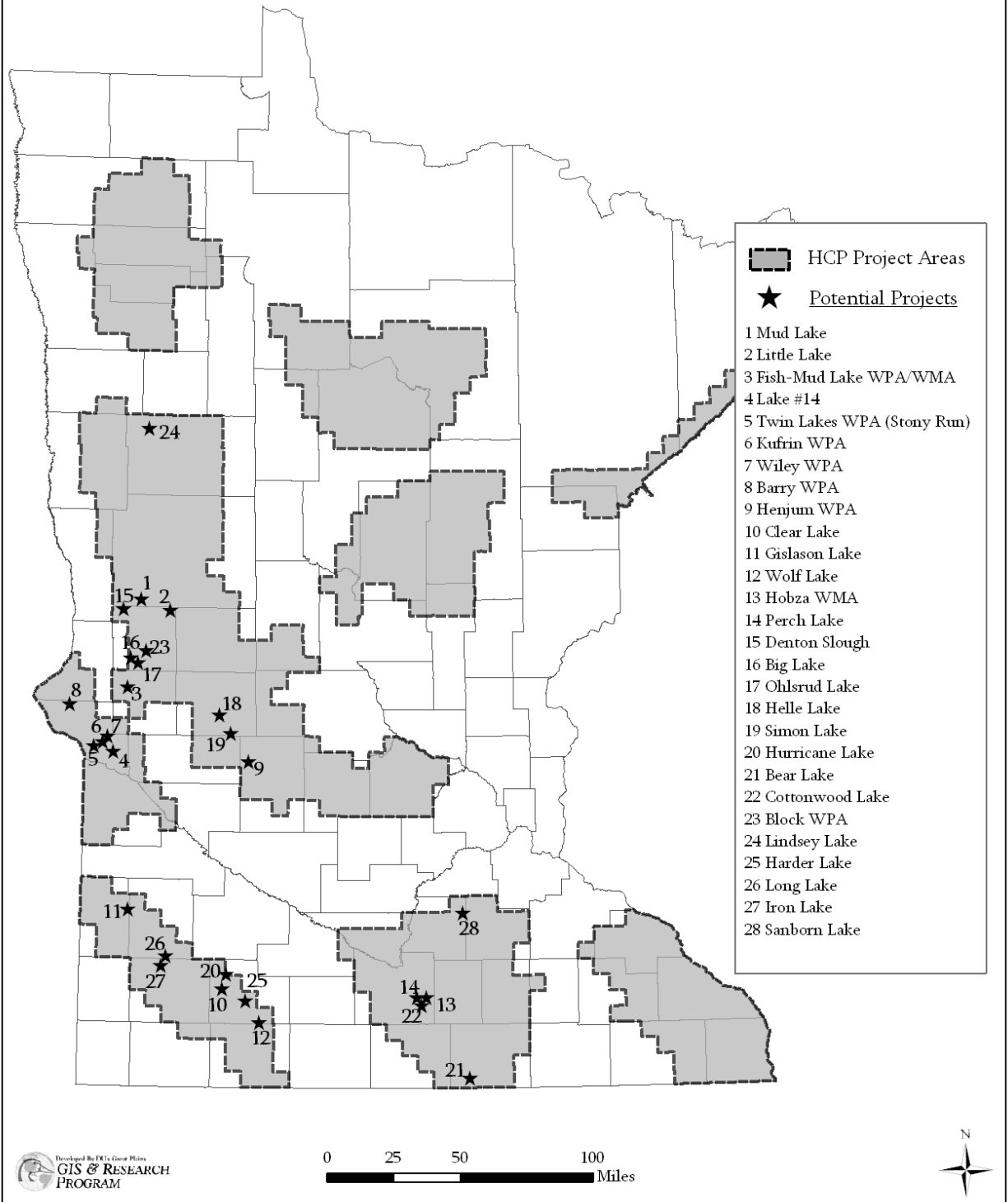
<u>Project Name</u>	<u>Type of work</u>	<u>Estimated Acres</u>	<u>Estimated Total Cost</u>	<u>County</u>	<u>Project Area</u>
Denton Slough	Enhancement	90	\$ 120,000	Grant	3
Block WPA	Enhancement	40	\$ 40,000	Grant	3
Lindsey Lake WPA	Engineering Design	50	\$ 20,000	Becker	3
Mud Lake	Engineering Design	250	\$ 20,000	Ottertail	3
Little Lake	Engineering Design	50	\$ 20,000	Grant	3
Fish-Mud Lake WPA/WMA	Engineering Design	100	\$ 20,000	Stevens	3
Big Lake	Engineering Design	150	\$ 100,000	Grant	3
Ohlsrud Lake	Engineering Design	150	\$ 50,000	Grant	3
Lake #14 – Klages WMA	Engineering Design	50	\$ 20,000	Big Stone	6
Twin Lakes WPA (Stony Run)	Engineering Design	50	\$ 20,000	Big Stone	6
Kufrin WPA	Engineering Design	50	\$ 20,000	Big Stone	6
Wiley WPA	Engineering Design	50	\$ 20,000	Big Stone	6
Barry WPA	Engineering Design	50	\$ 20,000	Big Stone	6
Henjum WPA	Engineering Design	35	\$ 20,000	Kandiyohi	7
Fish Lake	Engineering Design	80	\$ 50,000	Stearns	7
Simon Lake	Engineering Design	320	\$ 50,000	Pope	7
Helle Lake	Engineering Design	86	\$ 50,000	Pope	7
Hurricane Lake	Enhancement	86	\$ 100,000	Cottonwood	9
Harder Lakes WPA	Engineering Design	40	\$ 20,000	Cottonwood	9
Iron Lake	Engineering Design	100	\$ 20,000	Cottonwood	9
Clear Lake	Engineering Design	235	\$ 20,000	Cottonwood	9
Gislason Lake	Engineering Design	100	\$ 20,000	Lincoln	9
Wolf Lake	Engineering Design	100	\$ 20,000	Jackson	9
Hobza WMA	Engineering Design	100	\$ 20,000	Blue Earth	10
Perch Lake	Engineering Design	200	\$ 20,000	Blue Earth	10
Sandborn Lake	Engineering Design	448	\$ 20,000	LeSueur	10
Bear Lake	Enhancement	500	\$ 100,000	Freeborn	10
Cottonwood Lake	Enhancement	100	\$ 50,000	Blue Earth	10

\*Please note that these are potential projects and despite a project being listed, it may not be completed.

All projects are done on public lands, public easements, or in cooperation with willing private landowners. Projects not on this list that meet the strategic objectives of the HCP may be added at any time via submittal of a project list amendment to LCCMR staff.



# 2009 HCP#6 Potential DU Shallow Lake Engineering Enhancement Projects



**Summary Budget Information for Result 1: Trust Fund Budget: \$ 225,000**  
**Amount Spent: \$ 0**  
**Balance: \$ 225,000**

<b>Deliverable</b>	<b>Completion Date</b>	<b>Budget</b>	<b>Status</b>
1. Engineering Designs (4 plans)	6/30/2010	\$ 50,000	Ongoing
2. Structures Constructed (1 @ 100 ac)	6/30/2010	\$150,000	Ongoing
3. Technical Assistance in HCP PAs	6/30/2010	\$ 25,000	Ongoing

**Completion Date:** Ongoing, June 30, 2010

**Result Status as of:**

All Habitat Conservation Partnership progress summaries will be generated by the Partnership online reporting system. This system provides an accomplishment, expenditure and narrative update to LCCMR for each individual work plan.

**Final Report Summary:**

The final report will be generated by the Partnership online reporting system and will include the project abstract, and detailed accounting of expenditures and accomplishments for individual work plans.

**Result 2: Living Lakes Easements (HCP Part 3c)**

**Description:**

DU will provide technical assistance and outreach to promote conservation easements to (1) secure one new purchased or donated conservation easement on 200 acres, (2) negotiate two new potential easements for future acquisition, and (3) provide stewardship for new easements secured through this grant.

DU land protection staff biologists will work with private landowners on managed shallow lakes to purchase or secure the donation of one or more permanent conservation easements on 200 acres of shoreland or lake outlet tracts. DU will work with private landowners to protect sensitive shallow lake shoreland on managed basins with improved water quality and wetland ecology (aquatic plants and invertebrates) to protect the state's investment in management time and infrastructure. These may include both prairie shallow lakes and forested wild rice lakes managed for wildlife by the Minnesota DNR in HCP Project Areas. LCCMR ETF grant funds will be used to pay for DU professional staff time to promote conservation easements to landowners and negotiate terms and conditions of individual easements (due diligence), appraisals, title clearance and other legal services, boundary surveys, baseline condition documentation reports, for DU staff time to administer this grant, and for the cost of future annual stewardship and monitoring of permanent conservation easements secured through this grant. The use of LCCMR ETF grant funds by DU for future stewardship of permanent conservation easements was approved in DU's 2005 LCCMR grant work program, which included significant detail on how these funds will be managed and spent over time by DU and DU's affiliate Wetlands America Trust.

Trust funds needed for annual easement monitoring and stewardship will be calculated for each easement using the DU easement endowment worksheet table (previously appended and approved for use by LCCMR staff in 2005 grant to DU) which captures all anticipated expenditures for easement monitoring and stewardship. Estimated stewardship costs will vary due to variation in size and location of easements, complexity in land configuration, condition, and habitat types, and the terms and conditions outlined in the easement. Stewardship funds will be managed in a separate WAT easement stewardship account according to the DU Board's investment policy. Trust funds for easement monitoring and stewardship will be received by DU National Headquarters in Memphis, Tennessee, and will be immediately transferred to the WAT endowment account. The stewardship money will be held in a restricted endowment to be used only for the stewardship on specific easements acquired with the Trust Fund money. Furthermore, the restricted endowment will be invested according to the policies set forth in DU and WAT's Investment Policy as described in the May 31, 2005 letter from DU Controller Bob Mims to LCCMR Director John Velin. DU staff costs to monitor easements and provide easement stewardship will be billed to specific easement project account codes on an annual basis, and funds to cover this expense will be made available from the WAT easement endowment to the DU regional office budget to cover these annual costs. Copies of the most recent WAT audited financial statements are available for LCCMR staff review at any time upon their request.

DU considers the enforcement and defense of the terms and conditions of the conservation easement as an operational cost, and DU understands that this obligation may require the additional expenditure of DU funds to enforce the terms of the easement. WAT adopted the *Land Trust Standards and Practices* published by the Land Trust Alliance in 2004 on April 23, 2005 as technical guidelines for the organization's operation. DU has further outlined conservation easement stewardship management and enforcement procedures for DU staff in a land protection handbook. To accommodate the need to record a notice of ETF funding restrictions on the deed to lands encumbered by ETF-funded conservation easements, DU will include the following language in all conservation easement documents secured with full or partial ETF reimbursement through this LCCMR grant:

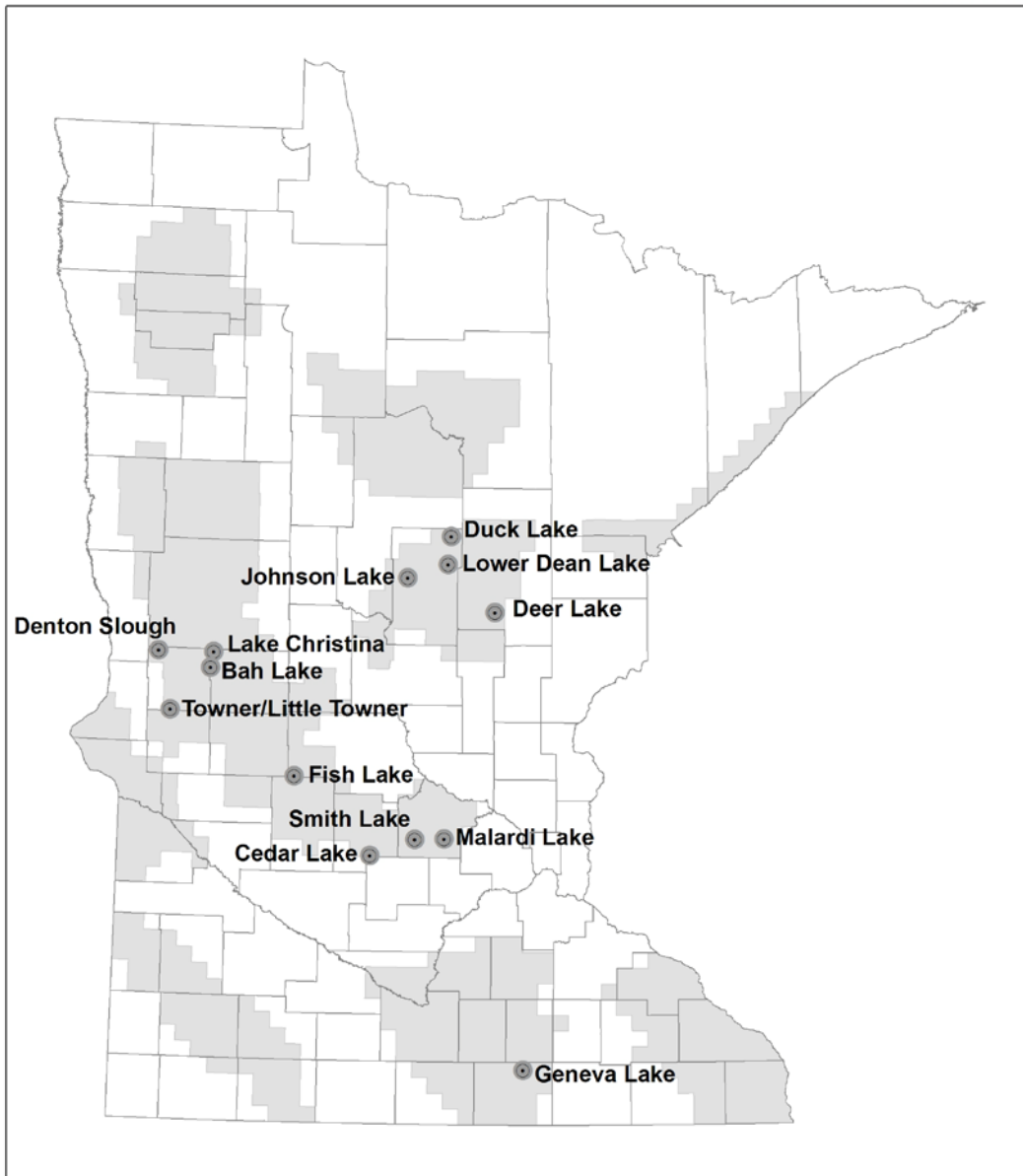
“WHEREAS, Wetlands America Trust, Inc. acquired this Easement with funding from the Minnesota Environment and Natural Resources Trust Fund (“Trust Fund”) pursuant to a grant agreement between the Trust Fund and Ducks Unlimited, Inc. dated \_\_\_\_\_.  
Wetlands America Trust, Inc. is placing this notice on record as confirmation of its obligation as set forth in the grant agreement and in accordance with *Minnesota Statutes Section 116P.15*, states the following: “This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement or work program controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Legislative and Citizens Commission on Minnesota Resources or its successor. If the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or work program, ownership of the interest in real property shall transfer to this state.”

Annual reports on monitoring and management of easements acquired with LCMR funding will be made to LCMR staff. Work on these easements (Result 2, HCP Phase 5 Part 3c) by DU may begin on or after July 1, 2008, possibly before DU completes its 2007 HCP Phase 4 Part 2c shallow lake enhancement work (with LCCMR staff approval). A map and potential project list follows for shallow lakes on which DU permanent conservation easements may be secured:

### 2009 LCCMR Habitat Conservation Partnership Phase VI Grant



#### Project Lake Locations for Potential DU Conservation Easements



● Ducks Unlimited Project Lake Location

**Potential Project List\*****Easements Part 3c**

<u>Project Name</u>	<u>Type of work</u>	<u>Estimated Acres</u>	<u>Estimated Total Cost</u>	<u>County</u>	<u>Proj. Area</u>
Fish Lake	Easement	183	\$100,000	Stearns	3
Lake Christina	Easement	100	\$300,000	Douglas	3
Bah Lake	Easement	20	\$40,000	Douglas/Grant	3
Denton Slough	Easement	10	\$20,000	Grant	3
Towner Lake	Easement	31	\$20,000	Grant	3
Smith Lake	Easement	20	\$40,000	Wright	3
Malardi Lake	Easement	20	\$40,000	Wright	3
Cedar Lake	Easement	20	\$40,000	Meeker	3
Deer Lake	Easement	40	\$30,000	Aitkin	4
Duck Lake	Easement	120	\$50,000	Crow Wing	4
Lower Dean Lake	Easement	66	\$50,000	Crow Wing	4
Johnson Lake	Easement	20	\$20,000	Crow Wing	4
Geneva Lake	Easement	20	\$50,000	Freeborn	10

\*Please note that these are potential projects & just because a project is listed, does not mean it will be completed. All projects are done on public lands or in cooperation with willing private landowners. Projects not on this list that meet the strategic objectives of the Partnership may be added at any time via submittal of a project list amendment.

**Summary Budget Information for Result 2: Trust Fund Budget: \$ 250,000**  
**Amount Spent: \$ 0**  
**Balance: \$ 250,000**

<u>Deliverable</u>	<u>Completion Date</u>	<u>Budget</u>	<u>Status</u>
1. Conservation Easement (200 acres)	6/30/2010	\$180,000	Ongoing
2. Technical Assistance (2 landowners)	6/30/2010	\$ 50,000	Ongoing
3. Future Stewardship of Easements	Ongoing	\$ 20,000	Ongoing

**Completion Date:** Ongoing, June 30, 2010

**Result Status as of:**

All Habitat Conservation Partnership progress summaries will be generated by the Partnership online reporting system. This system provides an accomplishment, expenditure and narrative update to LCCMR for each individual work plan.

**Final Report Summary:**

The final report will be generated by the Partnership online reporting system and will include the project abstract, and detailed accounting of expenditures and accomplishments for individual work plans.



**V. TOTAL TRUST FUND PROJECT BUDGET: \$475,000**

<b>Personnel:</b>	\$ 120,000 (DU engineers, biologists, land staff)
<b>Equipment:</b>	\$ 0
<b>Contracts:</b>	\$ 150,000 (construction of water structures)
<b>Acquisition, including easements:</b>	\$ 180,000 (permanent DU easements)
<b>Travel (in-state):</b>	\$ 5,000 (travel to shallow lake projects)
<b>Other (easement stewardship):</b>	<u>\$ 20,000</u> (easement monitoring stewardship)
<b>TOTAL TRUST FUND BUDGET:</b>	<b>\$ 475,000</b>

**Explanation of Capital Expenditures Greater Than \$3,500:** DU will solicit competitive bids and award a contract for the construction of one or more water control structures or fish barriers anticipated to cost \$50,000 or more.

**VI. PROJECT STRATEGY:**

**A. Project Partners:** We are part of the Habitat Conservation Partnership Phase V proposal. Please see main proposal for complete partner list. All DU shallow lake projects will be completed in partnership with the Minnesota DNR, U.S. Fish & Wildlife Service, and willing private landowners. DU will work especially closely with the Minnesota DNR Division of Fish & Wildlife's Shallow Lakes Program. Some private land easement leads on lakes not managed for waterfowl will be referred to the Minnesota Land Trust, DNR, U.S. Fish & Wildlife Service, or other land trust.

**B. Project Impact and Long-term Strategy:**

DU shallow lake improvement and protection projects help achieve the goals of Minnesota's Long Range Duck Recovery Plan that calls for the management and protection of 1,800 shallow lakes statewide. Further, it address the shallow lake conservation objectives and strategies of the Statewide Conservation and Preservation Plan developed for the LCCMR. Finally, our work is done in partnership with both the Minnesota DNR Shallow Lakes Program and USFWS Wetland Management Districts and National Wildlife Refuge System that will manage our shallow lake enhancement projects. DU will annually monitor and manage conservation easements secured through this grant on behalf of our Wetlands America Trust (WAT) affiliate and DU will vigorously enforce and defend each easement in perpetuity.

**C. Other Funds Proposed to be Spent during the Project Period:**

DU estimates that \$475,000 in DU and other partner funds will be spent or donated in land value by private landowners through this grant. Several additional grant applications are pending that will augment this LCCMR grant.

**D. Spending History:** DU received and spent \$300,000 in 2007 through HCP#4 (Legal Citation: ML 2007, Chapter 30, Section 2, Subdivision 4b) and \$180,000 in 2008 through HCP#5 (Legal Citation: ML 2008, Chapter 367, Section 2, Subdivision 3c) for shallow lake enhancement and conservation easements projects.

**VII. DISSEMINATION:** Accomplishment Reports and press releases will be made available at <http://www.mnhabitatcorridors.org>.

**VIII. REPORTING REQUIREMENTS:**

Periodic work program progress reports will be submitted not later than December 1, 2009, June 1, 2010 and December 1, 2010. A final work program report and associated products will be submitted between June 30 and August 1, 2011 as requested by the LCCMR. All reports will be generated using the HCP online reporting system.

**IX. RESEARCH PROJECTS:** Not Applicable

Attachment A: Budget Detail for 2009 Projects - Summary and Budget Page									
Project Title:		Shallow Lake Enhancement (2c) & Easements (3c) Minnesota's Habitat Conservation Partnership (Phase 6)							
Project Manager Name:		Jon Schneider, Ducks Unlimited (DU)							
Trust Fund Appropriation: \$ 475,000		DATE: May 8, 2009							
2008 Trust Fund Budget	<u>Result 1 Budget:</u>	Amount Spent	Balance	<u>Result 2 Budget:</u>	Amount Spent	Balance	TOTAL BUDGET	TOTAL SPENT	TOTAL BALANCE
	Shallow Lake Enhancement			Living Lakes Easements					
BUDGET ITEM									
<b>PERSONNEL:</b> wages and benefits for DU biologist (1 FTE), engineers (1 FTE), and land protection (1 FTE) field staff	75,000		75,000	50,000		50,000	125,000	0	125,000
<b>CONTRACTS:</b> construction of water structures, purchase of easements, contracted professional services such as soils investigation, title clearance, appraisal, legal work, and baseline documentation	150,000		150,000	180,000		180,000	330,000	0	330,000
<b>Professional/technical</b> (consultant engineering and environmental services)		0	0		0	0	0	0	0
<b>Land rights acquisition</b> (easements)		0	0		0	0	0	0	0
<b>Professional Services for Acquisition</b>		0	0		0	0	0	0	0
<b>Construction</b> (water control structures)		0	0		0	0	0	0	0
<b>OTHER</b> (easement monitoring stewardship)		0	0	20,000	0	20,000	20,000	0	20,000
<b>COLUMN TOTAL</b>	<b>\$225,000</b>	<b>\$0</b>	<b>\$225,000</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$475,000</b>	<b>0</b>	<b>475,000</b>

