

NORTHERN COUNTIES LAND USE COORDINATING BOARD
Meeting Minutes
Thursday, May 3, 2012
Dowling Residence, Beier Drive, Grand Rapids, Minnesota

Call to Order: The meeting of the Northern Counties Land Use Coordinating Board was called to order at 9:35 a.m. by Chair Brian McBride with the following in attendance:

NCLUCB Member Counties Present:

Commissioner Brian Napstad, Aitkin County
Commissioner Fritz Sobanja, Cook County
Commissioner Brian McBride, Koochiching County
Commissioner Wade Pavleck, Koochiching County
Commissioner Brad Jones, Lake County
Commissioner Rich Sve, Lake County
Commissioner Todd Beckel, Lake of the Woods County
Commissioner Don Jensen, Pennington County
Commissioner Oliver "Skip" Swanson, Pennington County
Commissioner Jack Swanson, Roseau County
Commissioner Mike Forsman, St. Louis County
Commissioner Steve Raukar, St. Louis County

Others Present:

Bob Tammen, Soudan resident
Pat Tammen, Soudan resident
Commissioner Mike Hanson, Koochiching County
Bob Lessard, Assistant to the Commissioner, Department of Natural Resources
Lori Dowling, Northwest Regional Director, Department of Natural Resources
Craig Engwall, Northeast Regional Director, Department of Natural Resources
Douglas Skrief, NCLUCB Staff

Administrative Actions

1. Approval of Agenda with the following additions:

- a. State: Angling licenses
- b. State: PILT
- c. State: Trails
- d. Federal: Waters of the United States (to be discussed under NACo)
 - m Beckel
 - s. Napstad

2. Approval of NCLUCB Minutes: March 21, 2012.

m. Raukar s. Jensen

3-4. NCLUCB Financial Report and Bills:

The income and expenditures sheets reflected a general account balance of \$115,932.52 and a Land Use Conflict Management balance of \$15,005.28. The total accounts balance, after payment of approved expenses of \$763.79 and dues income of \$16,500, was \$130,937.80.

m. Raukar s. J. Swanson

Bills: Administrative expenses for Douglas Skrief for two months **\$1,649.02**
 Association of Minnesota Counties Conference Expenses **\$ 126.05**
 m. Sobanja s. Sve

5. Correspondence:

The Board requested a letter of appreciation be sent to the Association of Minnesota Counties for their hospitality during the recent conference.

ISSUES OF DISCUSSION

LOCAL

1. Beaver Control – Commissioner Jack Swanson reported that statutory language was changed from that presented to the Board by the Department of Natural Resources at the Board's recent meeting in St. Paul. His concern was that legislative language did not give counties control through the issuance of a general permit. Permission to take by poisoning was disallowed, it was noted. Further discussion was then tabled till more information was available. (see below)

2. Intermediate Timber Sales – Commissioner Raukar reported that related legislation was dead for this year's legislative session. He will encourage St. Louis County to pursue the issue in the coming year and will meet with Wayne Brandt of the Timber Producers Association for support. Future bill authorship is likely. At the moment, independent loggers continue to have problems in finding income; many are traveling with families to North Dakota to find work. Comm. Raukar would like Board members' support for a resolution establishing county authority at a par with State authority to hold intermediate auctions. Comm. Forsman added that the St. Louis County Attorney has given opinion against holding intermediate sales. He supported change that would give counties the ability to hold same as an option. Comm. Pavleck expressed concern that Koochiching County not be penalized as legislation is pursued. Comm. Hanson noted 20 of 34 tracts sold the previous day in Koochiching County were intermediate (with a 30-employee cut off); all tracts sold. A citizens committee regularly reviews timber sales policy and makes recommendations to the county board, it was noted. Comm. Napstad offered that any one county's practice of intermediate sales may be curtailed by a future county attorney's decision and that it might be best to pursue legislation ahead of such a circumstance.

1. (continued) – Ms. Dowling reported that she had just received by email beaver control legislative language: Local units of government have the authority to create contracts for control for silvicultural purposes by any means but poisoning. A change is that authority now held by road authorities is now available to LGUs. No specific distances from roadways were mentioned. A distinction is made between an immediate need, able to be addressed by a county employee, and more general contract control. Other policies, such as prohibitions on the carrying of guns by road authority employees, may come into play, suggested Comm. Napstad. Landowners and others would still need permits.

Comm. Beckel urged the convening of county engineers to develop a boilerplate so as to bring it to the Board of Soil and Water Resources in to garner funding for control measures. Land departments might also be included in the creation of boilerplate language, added Comm. Napstad. The control practice in Lake of the Woods County is complicated and requires much work, Comm. Beckel offered. The availability of contractors and timing on pelt primeness are other issues to be considered.

STATE

1. a. Timber Wolf Season and other Legislative Developments – Discussion on legislation allowing for a season on wolves included note that 6,000 licenses will be issued at \$30 for a resident license. Application will cost four dollars. A cap of 400 animals are to be taken. About 200 are now taken annually due to predation issues. The DNR will evaluate the season annually. The federal Fish and Wildlife Service will review the situation after five years and will want to see a healthy population as they do not want to relist the animal. Local landowners will not be given license preference. Because wolves see orange, hunting wolves during deer season may be challenging. Baiting will not be allowed. Landowners will not be able to advertise hunts. Commissioners reported different experiences in sighting wolves locally.

b. State Trust Fund - Mr. Engwall reported that the House of Representatives supported taking management of the State Trust Fund lands out of the hands of the DNR while conference language instead recommended a "czar" from the Department of Administration to oversee how the DNR manages the land. The DNR is satisfied with the proposal. It will allow for a balance of recreation and other activities. Mr. Lessard reported that there has been interest in tapping Legacy Funds as part of the conversation. Mr. Engwall added that the DNR will be more aggressive in economic management of trust fund lands, including riparian parcel sales. Comm. Hanson pointed out that Koochiching County has over 800,000

acres of trust lands and was concerned about proposed changes; retention of PILT – about a third of the county’s levy – is paramount. No more money will be made with the presence of a czar, added Comm. Beckel. Mr. Engwall noted that the DNR has felt pressure to realize more income from the lands and will, for example, reduce rotation ages on forested lands. Forestry revenue is small compared to mining income. Only 2.5 million acres of school trust lands remain out of the federal deed of 8 million to the state.

c. License Fee Increase – Ms. Dowling expressed appreciation for those who supported increases in the DNR license fees. The format of licenses was raised by Comm. Hanson: a plastic three-year Ontario license card was compared to a Minnesota paper license. Comm. Beckel argued for keeping the cost for young people down so to as encourage participation. Funding for recruitment was increased, noted Mr. Lessard. Participation varies across the state. Younger generations are losing a connection to the land.

d. Omnibus Bill 2164 – Comm. Sve urged support for this bill affecting SSTS, WCA, invasive species and minerals.

2. PILT – Comm. Beckel reported on a fourth meeting of a committee reviewing issues surrounding Payment in Lieu of Taxes. Questions discussed included numbers of rates, attachment of rates to property values, flat rates per acre versus a percentage of assessed value, adequacy of current funding, etc.. “No Net Loss” gained traction in discussion. Education on the issues has been the focus of meetings to date, said Comm. Beckel. A reconfiguration of rates resulted in the increase of Ramsey County PILT, which has 403 acres, from about \$105,000 a year to \$496,000, or about \$2 million over five years. Ramsey gets about \$1,000 an acre. Lake of the Woods gets about \$2. Koochiching receives \$.82 an acre. A mistake in the Ramsey rate was admitted, Comm. Beckel reported. He noted an increase in the valuation of Pike Island from \$2.8 million to \$47,533,000.

The committee is in discussion about equalization more than an increase or decrease in PILT, added Comm. Sve who also sits on the committee. Average values and flat rates are problematic. There is not representation on the committee of the Metro. Comm. J. Swanson predicted push back on changes. Comm. Beckel recalled that the complicated nature of the rates has made discussion difficult. Comm. Napstad suggested that the Legislature may take a more simplistic view of the issue; since the majority of the 8.5 million acres is probably valued at between \$1,000 and \$5,000 perhaps the range of compensation should not be more than a factor of five times the value of the lower amount. Parameters of previous legislative discussions included a desire for the price of PILT to go down and be more equitable and figured more simply. A recent Joint Powers meeting recommended keeping formulas in place and to keep payments under \$10 an acre. When payments range above that figure caps would be imposed, reducing cost of the program; this would mean counties with large holdings would be protected and those being paid at significantly higher rates would be limited in payment. The arguments to reduce PILT may be coming from Metro interests that do not support local taxes being channeled to outstate counties with “state” land – which is seen as “ours” anyway. Comm. Pavleck supported equalization. Comm. Forsman urged an inflationary clause or index be included should caps be established. An inflationary piece was removed last year, responded Comm. Beckel. Mr. Lessard pointed out the difficulty in funding state operations beyond the mandated payments to health and human services, education and LGAs.

3. Connectivity of State Trails – Comm. J. Swanson expressed interest in DNR involvement in connectivity of trails among counties. Ms. Dowling reported that the DNR is going to Kittson County on June 19 to meet with the county board. A public meeting may be held after. The agency is supportive of public access, as described in the “Conservation That Works” plan, and is interested in county cooperation. Prevention of accidents by getting ATVs off forestry roads may be a goal, commissioners noted. Wetlands issues will be addressed as needed. Fairness in use of ATVs statewide is concern of the DNR, added Ms. Dowling.

FEDERAL

1. NACo – Comm. Sve, who sits on the NACo Energy, Environment and Land Use Policy Committee, reported on a legislative conference held in March. Six resolutions were raised: 1) Good Samaritan Environmental Laws for cleaning up old mine sites in which the original owner has moved on and current pollution issues have been addressed by well-intended interests subsequently sued under the Clean Water Act because the clean up has been substandard; the bill would protect these “good Samaritans.” from being penalized. 2) Development of Energy (wind and solar) Storage Technology: 3) Support of the Keystone-Excel Pipeline: 20,000 jobs would be created in construction and manufacturing and dependence on foreign energy sources would be reduced; 4) Support for the Restore Act for the BP oil spill, diverting 80% of the funds to states affected – Florida, Alabama, Louisiana and Texas – for restoration, restoration planning and long-range support; 5) Readiness and Environmental Protection

Initiative (REPI) backed by the Department of Defense is related to the clash of urban sprawl and military testing grounds, offering instead intermediary lands devoted to agriculture or recreation; 6) Public Lands Committee: discussion was on restrictions on use of lands next to wilderness study areas; the Departments of Agriculture and the Department of Interior have put in de facto buffer areas; this resolution is to stand against the creation of such areas.

2. Waters of the United States – Comm. Pavleck reported that the Waters of the United States legislation was dead for the legislative year – a redefinition of the Clean Water Act. At a conference with nine western states with logging road concerns, it was related that an even stricter definition may be promulgated. Rep. Cravaack has informed local officials that concern of some legislative interests is mounting. Any “nexus” to logging roads is at issue. The Ninth Circuit Court has ruled in the Sackett case that silvicultural runoff collected in ditches and running to streams and rivers constitutes a point source. Definition of a logging road, which may be used infrequently, may also be at issue.

Next meeting June 7, 2012, at Northome Senior Center

Submitted by Douglas Skrief