

Northern Counties Land Use Coordinating Board

May 1, 2014

Northome, Mn

Board Meeting Minutes

Call to Order: The NCLUCB meeting was called to order by Chairman Sve at 9:30 a.m.

NCLUCB Members Present: Rich Sve, Brian McBride, Steve Raukar, Brian Napstad, Mike Forsman, Buck Nordlof, Don Jensen, Todd Miller, Skip Swanson, Wade Pavleck.

Others present: Wayne Skoe

Administrative Actions:

Motion to Approve Agenda: m. Forsman, s. Miller

Motion to Approve Minutes of April 3, 2014: m. Jensen, s. Raukar

Financial Report and Bills Payable: Treasurer Raukar reported that the opening balance was \$127,635.62. Two bills were presented for payment: J. Chell professional services for \$712.32, and the Northome Senior Center for 55.00. m. Raukar, s. Napstad.

Secretary Chell noted that an audit of NCLUCB may be required by statute. Motion by Forsman seconded by McBride to check with state officials for approved audit firms. (Secretary's note: it now appears that NCLUCB annual revenues are below the threshold for the required audit.)

Discussion Issues:

- A. Letter to Tax Committee Chairs regarding Aquatic Nuisance Control legislation. Chairman Sve discussed this issue with Baak and AMC representative Anna Lee. Legislation appears headed for passage and funding. While administrative procedures are still unknown, Sve is concerned about how the counties will be held accountable.

Commissioner Jensen noted that the procedures are really unclear. What if a county spent their allocation only on one lake? Who is responsible for setting standards and goals? How is a county held accountable for expending these funds? Commissioner McBride agreed with Jensen and suggested that this program could become an unfunded mandate in future years. Raukar suggested that we will have to wait to see if there is a rule process developed by DNR regarding these funds. This legislation is a good example of unintended consequences.

Commissioner Sve: could these funds support an AIS position within Planning and Zoning Dept.?

Commissioner Napstad asked if the funds will ultimately originate from the Clean Water Fund...what is the source of this funding? Lake associations strongly supported this legislation and will want to be involved in rule making, fund allocation, and program implementation.

Commissioner Pavleck stated that the bill was authored by Sen. Skoe, so Pavleck is confident that the process will be well thought out. Commissioner Forsman asked if the counties will be responsible for a public education effort, but thought the funding and program should remain at the state level. But the lake associations will be a good approach to implementation. Funds could go to a county lake association to hire a coordinator to work with the individual lake associations that wish to be involved.

Commissioner McBride noted that the legislation has been very quiet...not much discussion among counties. Commissioner Napstad suggested that this funding could be an opportunity to experiment to determine effective public approaches to AIS and noted that the funding could be allocated using the BWSR base grant process.

b. Draft Resolution on Wetland Mitigation. Commissioner Raukar led off the discussion by stating that there are many more effective approaches to mitigation than just wetland restoration. Commissioner Forsman pointed out the Ash River wastewater joint powers organization as one example of alternative mitigation. Commissioner Jensen stated that there are other priorities for impaired waters that could be the focus of mitigation...that Minnesota is a diverse state with many water quality issues that need work.

Commissioner Miller suggested that while there will be many alternative mitigation opportunities at the local level, some statewide priority projects and areas should be included as alternative mitigation opportunities. Commissioner Pavleck noted that NCLUCB needed an agreed upon position focused on the Public Value concept.

c. Follow-up on action items for Wetland Mitigation.

i. interim committee representative from NCLUCB. Commissioner Napstad indicated that Sen. Erickson would hold a hearing on May 4. Four speakers, including Commissioner Napstad would be presenting materials and information. The question posed to Brian is: how has WCA affected Aitkin County? Brian's response will include the fact that 15,000 acres of wetland have been created and another 20,000 a. are under consideration. The Deer Run LLP mitigation bank site is now fully subscribed with wetland credits. What's next? The property could go tax forfeit since all credits are sold and no additional revenue will accrue to the bank owners. What was once a productive family farm may become a tax forfeit property. The conclusion drawn from this example: The wetlands created are not strategically significant from an environmental viewpoint. While compliance has been achieved for the purchasers of the wetland credits, the wetland itself is not particularly valuable in an area with thousands of acres of existing wetlands. Secondly, with the impending tax forfeiture, there is a long term loss of revenue and economic activity associated with what was previously a productive farm. Aside from achieving compliance, no beneficial public goals have been achieved.

ii. Case Study Initiative. NCLUCB members discussed the creation of some type of case study presentation to illustrate the problems with the existing wetland legislation, particularly focused on the mitigation problems created by current law and regulation. As shown by the Deer Run LLP example, there are many cases where no long term benefits to the environment or economy have been achieved. Chairman Sve suggested that we look at some type of professional presentation. Commissioner Napstad advocated for contacting the SWCDs to solicit examples of problems within WCA. Napstad asked members to discuss this issue with their land commissioners and engineers and report back at the next NCLUCB meeting. Commissioner Miller suggested a letter of inquiry that asks for examples of wetland mitigation that are inconsistent with the intent of the law. He further suggested that NCLUCB consider asking the State Auditor to examine the law and its implementation. Chairman Sve asked secretary Chell to draft a letter of inquiry. Commissioner Pavleck asked for a letter of support for the work of Senator Erickson on the mitigation legislation.

d. One Watershed/One Plan. Commissioner Napstad indicated that the Water Management and Strategic Planning Committee was overseeing this program. So far, 11 proposals for pilot projects have been received by BWSR. A new map with 81 watersheds has been approved by BWSR. A number of issues need to be worked out. For example, Aitkin County is a part of six watersheds. To what degree should a county with only small acreage in a watershed participate in the planning process?

Commissioner Jensen expressed the hope that the pilot projects are allowed to work out various problems before legislation mandating county participation is brought up.

e. Waters of the U.S. update. NACO provided a handout of background and issues. Commissioner Sve made several points regarding Waters of the U.S. proposed rules: federal agencies will argue that their regulatory authority is not increased under this proposal, and the rules as proposed are so vague and subject to various interpretations that the federal agencies could indeed be expanding their regulatory control while declaring the opposite. NACO wants the counties to provide examples of specific concerns. Commissioner Miller indicated that MRCC will be providing information to NACO.

Commissioner Napstad moved and Commissioner Miller seconded a motion to send a letter to EPA/Corps to extend the comment period for 90 days.

Commissioner Napstad questioned why the State of Minnesota is not taking a position. Napstad also cautioned that NACO may have difficulty mounting a strong opposition to the rules due to the number of counties that may express support for a stronger Federal position in water regulation.

Local issues: Chairman Sve talked with the DNR Strategic Land Acquisition Group. He characterized the meeting a good discussion with “not net loss of private land” a core principle of their strategy. Adjourn: 12:15.