

NORTHERN COUNTIES LAND USE COORDINATING BOARD
Minutes
Thursday, January 3, 2008
Iron Range Resource Center, Chisholm, MN

Call to Order: The meeting was called to order at 10:05 a.m. by Chairman Beckel with the following in attendance. (All actions of the Board were supported unanimously unless otherwise indicated.)

Member Counties Present:

Commissioner Brian Napstad, Aitkin
Commissioner Bob Fenwick, Cook
Commissioner Jim Johnson, Cook
Commissioner Lenore Johnson, Lake
Commissioner Scott Larson, Lake
Commissioner Todd Beckel, Lake of the Woods
Commissioner Don Jensen, Pennington
Commissioner Skip Swanson, Pennington
Commissioner Russell Walker, Roseau
Commissioner Dennis Fink, St. Louis
Commissioner Steve Raukar, St. Louis

Counties Not Represented:

Koochiching County

Others Present:

Robert Krepps, St. Louis County Land Office
Craig Engwall, Department of Natural Resources
Richard Lehtinen, Koochiching County Environmental Services Department
Douglas Skrief, NCLUCB Staff

Introductions

Agenda Additions

- 1) Timber sales
- 2) Need for NACo Public Land Steering Committee members
m. Larson s. Napstad

Election of Officers

Chair: Nomination of Dennis Fink
Motion to close m. Larson s. Jensen Supported
Vice-Chair: Nomination of Charles Lepper
Motion to close m. Napstad s. Beckel Supported
Secretary/Treasurer: Nomination of Brian Napstad
Motion to close m. Jensen s. Beckel Supported

Administrative Actions

1. Approval of Minutes:

October 4, 2007 meeting and November 1, 2007 discussion

Action to approve the Minutes of the October 4, 2007 meeting and to re-title the record of the November 1, 2007 discussion - which did not realize a quorum - as "Notes" rather than "Minutes".
m. Napstad s. Beckel

2. Financial Report:

The balance of the Land Use Conflict Management account is \$15,005.28. The General Account has a balance of \$51,857.00. Motion to approve numbers as listed to date and the treasurer's report.
m: Beckel s: Larson

Discussion over the possible blending of accounts and the stipulations attending to the Land Conflict Resolution funds followed. The Director and Chair with the participation of the Secretary Treasurer were directed to research options.

Discussion also included notice of receipt of the State Auditor's report for 2005 and 2006. The audit will be on the February agenda. Members were directed to review their copy.

3. Bills: A) The Executive Director submitted an invoice for the following:

\$1196.00	Professional Services
\$ 341.05	Expense reimbursement
	m. Jenson s: Raukar

B) Note was made that the Executive Committee, meeting on November 1, 2007, approved bills for Director Skrief for \$1518.40 in services and \$433.74 in expenses.

C) Discussion followed on the invoicing of counties for 2008 dues. Motion was made to invoice full amount for the calendar year. m. Napstad s. Beckel

Discussion clarified that a letter should accompany the billing explaining that as no dues were collected in 2007, the full amount was being requested for 2008; that the invoice be signed by the Chair; and that payments go to the St. Louis County Auditor.

Members were directed to bring the 2008 budget to the next meeting for discussion.

Comm. Lenore Johnson asked for clarification on Comm. Robert Cope's expenses of \$998.05 for the Clean Water Act Hearings and was informed that they had been pre-approved.

Discussion Issues

Forest Sales

Mr. Krepps spoke to the St. Louis County forfeiture program, noting that the county got back 182,000 cords. Aspen sold on average for \$29/cord, which was in the range of the Forest Industry Timber Bulletin's reported \$27—\$30/cord. Generally, any wood put on the market is being sold at lower prices. The re-sale program of forfeited contract wood went to small operators.

Mr. Engwall said that of auction versus sealed bid, there was not much difference in results and no feeding frenzy and that the state will probably continue to do both in the future. Mr. Krepps noted that they had set auctions up so that 50 percent of sales were sealed bid and 50 percent oral auction. A couple mills wanted to know the schedule of the sale. A random draw was held on each sale. Birch bid high; aspen stayed level. Almost all operators were very pleased. The "take back" program was for one year, 2007, and 200,000 cords were taken back. Deposits are in the revenue stream immediately and the county avoids dipping into the fund, which makes long-term common sense despite some individual contractor complaints about openness of bidding to those who may have forfeited their contracts.

The process did not affect how wood was given back. Some buyers prefer oral sale, some auctions. Comm. Larson said the Lake County sale brought \$28 for aspen. Comm. J. Johnson said there had been no sale in Cook County. Comm. Napstad reported that Aitkin County had gone to sealed bids, with no change as a result; contracts were extended to four years from three to avoid getting contracts back and that prices were down from historic \$140/cord prices.

NACo Committee Opening on Public Lands Steering Committee

Comm. Lenore Johnson reported on a March deadline for submitting an application to the NACo Public Land Steering committee, which she has been attending. A legislative meeting is scheduled for March and an annual meeting for July. Issues include special use, access, water, noxious weeds, gateway communities. All PILT issues come before the committee. Chairman Fink stressed the importance of having people on the committee.

Shoreland

Comm. Napstad reported that since the recent AMC conference invitations would be going out for membership on the Next Generation Advisory Committee. He had not yet seen an invitation. Mr. Engwall said he would follow up on same.

Miscellaneous Legal Issues

Mr. Engwall reported that the federal government has been sued regarding forest plans, the Echo Trail and a snowmobile trail on the edge of the Boundary Waters Canoe Area Wilderness. An amicus brief has been

allowed. The case on the boundary waters is in the 8th Circuit Court. He said he was not sure if the appeals court has jurisdiction. Timber activity could be affected.

Mr. Engwall also reported that open houses regarding Off Highway Vehicle planning were being held January 23rd and 24th in International Falls and Northome to take public input on how people are using forest trails.

Comm. Napstad reported on a 70-mile ATV trail in Aitkin County. There is some question over designation of impact and jurisdiction by the Mississippi Headwaters Board.

Mr. Lehtinen noted that due to revamping the 1975 Koochiching County ordinance, coordination with the DNR would be helpful, to which Mr. Engwall said he could speak to regional issues but perhaps not state issues.

Comm. Napstad noted disparity of Division of Minerals and county ordinances on land use, causing public confusion.

Comm. Jim Johnson complimented the Two Harbors DNR staff for taking input at land sale meetings.

Forest Legacy

Chairman Fink reported on the Forest Legacy advisory committee on which he sits and that is dedicated to preserving recreational access and preventing fragmentation of working forests in the state. One million acres are at risk in northern Minnesota. Mr. Engwall noted a variety of interests represented on the panel, such as the Grand Rapids Chamber of Commerce. He added that one goal is easements surviving a change of owner.

Chairman Fink noted that the committee is looking differently at northern and southern Minnesota; he pointed to large holdings of Potlatch, Boise, etc., in the north. And he is propounding the banking of wetland credits credited to the watershed in which they are captured by easements.

Comm. Beckel asked about funding. Mr. Engwall responded that there is a U.S. Forest Service legacy program that was used to acquire 1,700 acres near Grand Rapids, but no federal funds were used in acquiring 51,000 acres in Itasca and Koochiching. Rather, \$12 million of state and private funds were used. This was in part because the federal rules prohibit mining while the state often has sub-surface rights to consider and so avoids federal funding in those cases.

Discussion followed on costs and whether land should be purchased outright, with Chairman Fink pointing out that private ownership is more desirable than PILT payments because of the value of the timber, and best use must be considered. Comm. Napstad noted a 1-to-8 credit for preservation under WCA would be better than nothing.

Ditch Assessments

Comm. Beckel inquired on status of ditch assessments. Mr. Engwall reported that since an administrative judge made a report on same, the DNR and county attorneys made changes. The process now rests in a 180-day window. When this “limbo” period ends, a ruling may lead to political discussion including county commissioners – discussion not just about ditches but also about dependent issues.

Clean Water Act

Chairman Fink reported that AMC has agreed to talk about language in Mr. Oberstar’s Clean Waters Act restoration bill. He outlined the history of the act from 1972, concluding with the Supreme Court decision in the Rapanos case that specified guidelines, in effect rewriting the rules without the Corps seeking outside input. Rep. Oberstar, while suggesting that to solve the problem language might be removed, has not addressed the full impact of changes.

Chairman Fink noted that it is good to open up communication between Congress and policy makers. He asked to hear members’ questions, noting that the recommendation to the AMC is not to take a position.

Comm. Larson spoke of concern with the CWA in reference to cleaning up the Great Lakes – that Congress has refused to address boats as a point source; that there are no standards used by the entire Corps of Engineers and that “point source” would be a narrowed definition of “activities affecting these waters.”

Comm. Fink added that the University of Wisconsin Superior and UMD are starting to study the effects of ship ballast. The Water Advocate Coalition advocates that Congress should force the Corps to clarify its jurisdictional scope and that the rule-making process should have clear input. A letter was sent Nov. 28th.

Comm. Beckel noted that NCLUCB also sent an unanswered letter to Rep. Oberstar and that funding for the clean up of the Great Lakes has clean water language attached.

Comm. Fink pointed out that \$5-6 billion in dredging costs for Duluth were not included in the Senate companion bill.

Farm Bill

Comm. Jensen noted that the Farm Bill was passed by the House in July and the Senate in November with a conference committee session to come. He stressed importance of passage in 2008. The old bill expired in September.

AMC Representation

Comm. Lenore Johnson noted that this is the last year for Comm. Fenwick on the executive committee. Chairman Fink said how impressed he was that the northern Minnesota voice has been heard – with a district chair, treasurer, past presidents and others - and that the board is driven by those who send members. The 2009-10 period is an important time to put someone else in office at AMC.

Seaway Port Authority

Comm. Rauker reported that he sits on a Seaway Port Authority body and that the Association of the Port Authority and the Great Lakes Commission is shepherding a large amount of funds towards attacking ballast water issues. Web sites and research information is available. Federal funds are going toward lab construction.

He also noted that U.S. Senator Klobucher would be opening her new office this day in Virginia, Minnesota. He invited commissioners to stop by and greet the senator.

Next Meeting Date, Location and Agenda Items

Next meeting: February 7, 2008, 10:00 a.m. at the Northome Senior Center

March meeting: March 6, 2008, 10:00 a.m. MR Classroom, Iron Range Resource Center, Chisholm, MN.

Meeting adjourned at approximately 12:15 p.m. m. larson s. Jensen

Respectfully submitted by Douglas Skrief, Administrator and Exec. Dir.