

**NORTHERN COUNTIES LAND USE COORDINATING BOARD**  
**Minutes**  
**Thursday, December 2, 2010**  
**Northome, Minnesota**

Call to Order: The meeting was called to order at 9:30 a.m. by Chairman Dennis Fink with the following in attendance. (All actions of the Board were supported unanimously unless otherwise indicated.)

All Member Counties Present:

Commissioner Brian Napstad, Aitkin  
Commissioner Bob Fenwick, Cook  
Commissioner Jim Johnson, Cook  
Commissioner Charles Lepper, Koochiching  
Commissioner Wade Pavleck, Koochiching  
Commissioner Todd Beckel, Lake of the Woods  
Commissioner Oliver Swanson, Pennington  
Commissioner Jack Swanson, Roseau  
Commissioner Mike Forsman, St. Louis  
Commissioner Dennis Fink, St. Louis

Others Present:

Mike Carroll, Department of Natural Resources  
Craig Engwall, Department of Natural Resources  
Bob Tammen, Soudan resident  
Carol Pavleck, International Falls resident  
Douglas Skrief, NCLUCB Staff

Administrative Actions:

1. Approval of Agenda with the following additions:

- 1) Timber sales prices in Wisconsin as if December 1 (Local)
- 2) Report regarding John Ongaro (State)
- 3) Land asset management meeting update and request (State)
- 4) PILT Handout (Federal)
- 5) Handout from Boone & Crockett Club Report (Federal)
- 6) Climate Change Legislation and the Clean Water Act (Federal)  
m. Beckel s. Pavleck

2. Approval of Minutes: October 7, 2010 Meeting

m. O. Swanson s. Napstad

3-4. Financial Report and Bills:

The Director reported a general account balance of \$93,890.60 and a Land Use Conflict Management balance of \$15,005.28. Total accounts balance, after payment of approved expenses of \$797.64, was \$108,895.88.

m. Napstad s. Lepper

The Executive Director submitted an invoice for \$772.35 for one month of professional services and expense reimbursement already approved by the Executive Committee for payment as well as an invoice for \$55.00 for hall rental and refreshments.

m. Napstad s. Fenwick

Correspondence:

None reported

Discussion IssuesLOCAL

1. County Election Results In Minnesota, after the November election, sixty-two commissioner seats will change in 2011; up to seventy-five seats typically change. Commissioners Fenwick, Fink and Lepper will not return to NCLUCB in 2011. Changes at the national and state levels were notable, with shifting majorities. Comm. Napstad commented on the loss to NCLUCB of thoughtfulness and leadership of departing members. The Chair called attention to the loss to other organizational steering committee memberships of past presidents, though the Futures Committee will include Comms. J. Swanson and Beckel. Representation from St. Louis County to NCLUCB may be affected. The part-time nature of most commissioner positions may dampen leadership efforts, noted Comm. Napstad. Comm. Fenwick noted the loss of a friend to northern counties in the defeat of Rep. Oberstar and that an opportunity to revitalize efforts now exists - to provide representation of the area and prevent wedges from being driven between areas. Comm. Pavleck added that Representative-elect Cravaack has named Rod Grams, a friend to northern Minnesota in the past, as his Chief of Staff. Comm. J. Swanson suggested a letter be sent to St. Louis County and other counties to encourage participation with a personal appeal added. Comm. Beckel encouraged that two commissioners represent each county. Comm. Fenwick noted an increase in leadership potential in NCLUCB over the past ten years.

The Chair noted that he and Comm. Lepper will need to be replaced on the Future Forests Initiative committee, next meeting on December 22. The committee meets 2-4 times annually to review easements on large tracts of land. Mr. Engwall clarified that two northern commissioners, not necessarily from NCLUCB, who understand the forests are needed. Discussion resulted in the suggestion that because of transitions in the DNR Commissioner's office, NCLUCB write a letter to the committee naming two replacements. The current Commissioner's term will end at the inauguration of the Gov.-elect Dayton to be reappointed or replaced in the interim by the assistant commissioner. John Ongaro, St. Louis County lobbyist, has been named to a gubernatorial transition team for outreach, added the Chair.

Currently a large county and a small county are represented. The rules are written and committee structure established; quantity and quality of future easements will be the issue before the committee – for example, annual targets for the DNR and the State and organizations that purchase lands. The current economy is also influencing corporate interests who are now more interested in selling land assets. Impact on county coffers and recreational use in the long term must be considered. Comm. Forsman suggested naming an alternate candidate besides two commissioners. Motion by Comm. Lepper seconded by Comm. J. Swanson to name two candidates to the Future Forests Initiative committee, amended by Comm. Lepper seconded by Comm. J. Swanson to offer three candidates.

m. Lepper s. J. Swanson

2. PolyMet Mining Plan Proceeds A document in handouts reviewed how regulators, to include the Environmental Protection Agency, have begun a new review process in formulating a revised environmental impact statement for the proposed PolyMet Mine near Hoyt Lakes. The Chair added that Representative-elect Cravaack is interested in moving the review forward. A land exchange may be needed. Comm. Forsman added that permitting is a long process and it will probably take three years at best to open doors to the mine.

3. No Net Loss Study The St. Louis County Board put forth a resolution to conduct a study with recommendations to be presented to the SLC Board by July 1, 2011 on No Net Loss of Private Lands. Lake County has a resolution on their books that they support legislation of 1998, including that 50% counties should have no net loss. There is no other policy. Cass County has a couple chapters in their procedural manual that provide reasons for how to handle specific tracts of land; it includes the option of considering for purchase parcels for sale previous to the DNR purchasing the land. Their process is uniquely different, reported the Chair. Their policy is no net loss of public land. St. Louis County is starting to put together a team with planning, staff, auditor, administration and land departments considering what is needed. There is a concern that the county be informed before purchase in order to allow the county to assess impact and potentially become willing buyer. Would this include church or nonprofit purchase, asked Comm. Beckel? Comm. Napstad recalled that in Aitkin the discussion has been around no net less of tax base. A review of tax capacity and value of non-taxable land revealed \$3.3 billion of tax capacity with \$853.9 million of non-taxable land in Aitkin County. Some non-taxable land belongs to the State, which pays PILT. A large proportion belongs to tax exempt entities who have no obligation to discuss sales.

Mr. Carroll reviewed a Roseau County Pilot project on land asset management. Land status, conflicting terminology, etc., are poorly understood across jurisdictions. A discussion is needed at the regional level before Legislative Auditor hearings and Republican committee meetings are held; and NCLUCB would be a legitimate forum for that discussion. Sixteen counties out of twenty-three served by

Mr. Carroll claim to have no net gain policy, but they do not have data and have, instead, statements rather than policy.

The Chair argued that discussion of the issue in March will have strong St. Louis County input. Whether the county would step in ahead of the DNR is a question. Comm. Beckel noted that there may be an opportunity to purchase wetland credits by the county in a win-win situation for the DNR and a county. Comm. Pavleck noted the history of purchases by the DNR of Koochiching County farmland and of the federal government of Voyageurs National Park land and how notice is now provided. Comm. Skip Swanson added that farmland values have increased in good farming seasons while the tax revenues of city and industrial properties have dropped, creating a different kind of problem. Comm. Forsman noted that PILT is always on the table, leading to need for discussion. It is as little understood as is the Taconite Production Tax. The issue ends up at a need for No Net Loss considerations. By denying PILT, added Comm. Fenwick, the legislators are raising taxes on the existing tax base; the citizens need to know that counties add taxes to cover costs. Other groups need to be considered, these include school districts and townships. An annual intergovernmental meeting with AMC is one forum for discussion, suggested Comm. Napstad, to include other stakeholders. AMC could be asked to put together a general spreadsheet to show how designations of lands affect distribution and how revenues are shared.

The Chair encouraged preparation on this topic to protect county interests. Comm. Forsman predicted a loss of PILT to county and townships regarding the new 3,000 acre park purchase in St. Louis County.

4. Wisconsin Timber Prices The Chair distributed Ashland County timber sale prices as a matter of comparison. They are close to St. Louis County prices.

## STATE

1. Commissioner Napstad named Chair of BWSR As well as Comm. Forsman being made president of the Transportation Alliance, NCLUCB member Brian Napstad was appointed Chairman of the Board of Water and Soil Resources. This means he will be an ad hoc member of every BWSR committee and voting member of some, including wetlands. He is automatically appointed to the state Environmental Quality Board with a vote, setting environmental policy, such as setting pollutant caps and approving the state's ten-year Water Plan – the EQB functions around process and interagency communication, noted Comm. Napstad.

2. State Plan for Minnesota State Parks and Trails available from the DNR Meetings are coming up in the region for public comment.

3. State Land Purchases as reported by Minnesota Public Radio A news release in packets was included for review regarding impacts of land purchases by the state. NCLUCB members are quoted.

4. Lessard Sams Outdoor Heritage Council Four spots are available on the council – one from the House, one from the Senate and two from the Governor's office. John Ongaro reportedly predicted that northern Minnesota will be looked upon favorably by the Governor-elect. Mr. Carroll noted that the change in legislative leadership will result in changes in Council membership.

5. Land Asset Management Mr. Carroll reported that NCLUCB will receive an update on the progress of the conversation being carried out in Roseau County. Current analysis is moving from the unorganized to the organized areas of the county including townships – a more challenging discussion. He added that a Lake LaSalle acquisition is being affected by the designation given to the purchase. A Balm Lake acquisition of 150 acres on a lakeshore has received media attention. A sale to a private developer did not meet Beltrami County standards. County Board approval was not needed. The local lake association is now involved. A discussion is to be held. Mr. Carroll again asked that NCLUCB push for PILT clarification and education. Resource Advisory Committees for the Chippewa and Superior Forests will be awarding funds; counties may ask Mr. Carroll and Mr. Engwall about same.

Comm. Napstad asked after the issue of starting a conversation on Land Asset Management: he recommended a joint AMC district meeting in at least Districts 1 and 2. Mr. Carroll is asking for brainstorming of connective issues, he elucidated; just having the discussion would be beneficial. Comm. Napstad suggested that NCLUCB could become the group to bring the issue forward. In District 3, forest issues are not as important, the Chair noted. Townships, schools and others could be involved in discussion at a spring meeting of a break-out group, suggested Comm. J. Swanson. Comm. Napstad suggested counties get themselves on the same page first. Comm. Johnson asked whether there is a pamphlet or handout that explains the multiple number of kinds of payments of PILT. Comm. Fenwick suggested that district issues be elevated at AMC.

Land asset management and PILT topics may be brought up at the January NCLUCB meeting.

FEDERAL

1. Sierra Club Loses Superior National Forest Plan Appeal A news release in packets describes this decision. No discussion.

2. PILT The Chair distributed a report from NACo County News that reviewed the impact of Congress' changing leadership. A two-paragraph item on PILT noted that "many members of Congress that were strong champions of the Secure Rural Schools and PILT programs lost their bids for re-election" and that need for education of new members of Congress was needed. Comm. Johnson added that this also affects funding of fire protection; Congress would like to push these costs to the counties, is one concern.

3. Boone and Crockett Club Report The Chair distributed a memorandum from the President of the Boone and Crockett Club that outlines how a significant amount of legal settlements is going toward a handful of activist groups: "During the last decade alone, \$36 million has been paid out to just nine activist groups in more than 3,300 federal lawsuits," the memorandum states. "Suing the government has become 'big business' for environmental organizations..." Mr. Engwall noted that while 98 percent of suits are lost by environmental interests, delays and fears of litigation can be used to stop projects. Comm. Forsman added that his belief is that attorneys are more interested in income and initiate suits while real environmental interests come from the general public.

3. Climate Change The Chair reported that NACo has distributed a document noting that legislation concerning climate change could be dead. The Clean Water Restoration Act amendment may be similarly in jeopardy. The EPA is writing rules to affect changes around the legislation Rep. Oberstar proposed; NACo urges attention to this and encouraged comment regarding any proposed rules.

4. Heartland Institute of Chicago publication The Chair distributed "The Patriot's Toolbox" as a gift to members. It identifies eighty significant issues now in discussion at the federal level. The Chair also recommended a publication by author Elaine Willman "Going to Pieces: The Dismantling of the United States." She addresses battles with tribal governments in trying to co-exist with local governments. The Chair had recently addressed a group, noting that a new organization within AMC is addressing federal Indian policy. Accountability of federal funds in regards to overlapping services is of issue.

NCLUCB

1. Note of Appreciation Comm. Forsman added his thanks to the Chair for his contributions to the Board, to which was added thanks to Comms. Fenwick and Lepper. The Chair encouraged continued participation in the interests of the counties. Comm. Lepper added his farewell.

Adjournment at 12:10 p.m.

m. Forsman s. Swanson

**Next meeting January 6, 2011, 9:30 a.m. IRR Mining and Reclamation Classroom, Chisholm, MN**

Respectfully submitted by Douglas Skrief, Administrator