

NORTHERN COUNTIES LAND USE COORDINATING BOARD

Minutes

Thursday, August 7, 2008

Kootasca Senior Center, Northome, MN

Call to Order: The meeting was called to order at 9:33 a.m. by Chairman Fink 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 Charles Lepper, Koochiching
Commissioner Scott Larson, Lake
Commissioner Todd Beckel, Lake of the Woods
Commissioner Don Jensen, Pennington
Commissioner Skip Swanson, Pennington
Commissioner Jack Swanson, Roseau
Commissioner Dennis Fink, St. Louis
Commissioner Mike Forsman, St. Louis

Others Present:

George A. Blais, Sr., Koochiching County resident
Mike Carroll, Department of Natural Resources, Bemidji
Joe Chlebeczek, Koochiching County resident
Mike Cummins, Pine City resident
Craig Engwall, Department of Natural Resources, Grand Rapids
Dale G. Himes, Koochiching County resident
Nicholas Johnson, The Blackduck American
Richard Lehtinen, Koochiching County Environmental Services Dept.
Don Parmeter, American Property Coalition
Ray Rectan, resident
Linda Runbeck, American Property Coalition
Ralph Skoe, resident
Douglas Skrief, NCLUCB Staff

Agenda Additions

- 1) Local: Introduction of Mike Cummins, 8th District congressional candidate
- 2) Local: Letter from Lake County regarding beaver and timber wolf trapping
- 3) Local: Timber prices in most recent Wisconsin auction
- 4) Federal: NACo Public Lands Committee report
- 5) State: Section 16-36 School Trust Lands
m. Beckel s. Larson

Introductions

Administrative Actions

1. Approval of Minutes: June 5, 2008 meeting

With mention that after discussion of a lack of statewide attendance at rulemaking meetings of the Association of Minnesota Counties, the Chair wrote to the AMC. Several rulemaking processes are ongoing, including seven or eight on the environment that might interest the Board. Attendance at shoreland rulemaking was not an issue. An AMC policy committee meeting raised the issue and a plea was issued for representative help on policy. The AMC will forward policy committee assignments in August. The Chair encouraged participation in the interest of the Board and counties. (Comm. Fink).

m. Jensen s. Lepper

2-3. Financial Report and Payment of Bills:

The Treasurer reported a general fund balance of \$75,017.12 and a Land Use Conflict Management balance of \$15,005.28. Expenses of \$663.32 were made for professional services. Total accounts balance: \$90,022.40.

The Executive Director submitted an invoice for \$1,250.85 for one month of professional services and expenses. Estimated room rental and coffee expenses for the day were estimated at \$55.

m: Napstad s: Larson

The Chair noted a request from Koochiching County for audit information that was provided.

4. 2009 Proposed Budget

A budget proposal for 2009 included income of \$42,500 in dues and \$80,005 in carryover and 41,400 in expenses. Treasurer Napstad noted difficulty of predicting unforeseen expenses and difficulty in budgeting more accurately, though the surplus should cover unexpected expenses. The Chair suggested billing for half of the due amount and then to see if the second installment is necessary, leaving a cushion without holding an excess fund balance. Potential ITV costs were not specifically included in the budget, though room rental was considered. The chair continues to research 2009 as a test year for conference call meetings. Counties were encouraged to submit to the director video conferencing potential in their communities. The Treasurer was charged with presenting a recommended reserve based on previous years' finances. Motion to move for the whole budget and bill for half of dues and cover other costs out of reserves.

m: Beckel s: Jack Swanson

Correspondence

1) Correspondence from Ron Harnack of Water Resources Consulting on creating a Northeast Wetland Banking Cooperative, to be discussed.

2) Information from Phil Delphey of the Fish and Wildlife Service and Richard Baker of the Minnesota DNR noting that a window on comment on Lynx critical habitat was not yet announced.

3) Koochiching County requested financial statements of the Chair.

4) The AMC informed the Chair that Shoreland Rules Committee appointees had attended meetings.

Discussion Issues

LOCAL

1) Shoreland Standards: Planning Committee: The next meeting will be held August 28. Comm. Napstad hopes to attend despite a BWSR tour conflict and expects Comm. Pavleck to attend.

2) Wetlands Conservation Rule Making: No meeting was held in July. Second round of drafts will be reviewed, according to Comm. Beckel. Comm. Napstad added that a BWSR Wetland committee met to review advisory group work and that rules were well written. An unusual part of the rule concerned forestry exemptions, for example where a road is made to a harvest area; if a change is made in the use of the property, mitigation of the road must be carried out. Another section addresses how if a wetland is tilled and farmed for ten years and then developed for housing it does not demand mitigation. In a forested area rich in wetlands, there is not the exemption that areas poorer in wetlands enjoy. Comm. Napstad brought the issue up to the committee, noting that forestry exemption might be more limited. "Normal farming practices" definitions are changing, noted Comm. Beckel. Clean Water Act exemptions might take precedent as EPA and the Corps of Engineers rewrite rules, noted Chairman Fink; areas of exemption may change under "non-point source" rulings. Comm. Jensen recalled fighting for wetland farming exemptions in 1991 legislation and would not like to see them diminished. There is no effort to eliminate anything under normal farming practices, reported Comm. Napstad.

3) Trapping in Lake County: Comm. Larson reported that Lake County had received a telephone call and then a letter from the Fish and Wildlife Service asking permission to go onto county property to trap problem wolves that have taken livestock and problem beaver. Permission has not been requested in the past for this common practice. Lake County is forming a response, asking in part about further steps that would be taken to protect habitat and about its relation to the proposed Canada lynx critical habitat designation, asking specifically about economic impact. The Chair asked that the county's response be forwarded to Board members. Comm. Beckel noted that the service does not like to trap in pastures and has now decided to improve relationships by asking permission. Mr. Engwall reported that the service had been trapping wolves for decades, even when populations were more limited, and Mr. Carroll added that they have had that permission. The Chair encouraged comment on inconveniences of lynx habitat designation.

STATE

1) Forests for the Future: Meetings will begin in the fall.

2) Northeast Wetland Mitigation Inventory: Comm. Napstad reported on the kick-off in Grand Rapids, July 10. BWSR Exec. Director John Jaschke and Land and Water Section Manager Dave Weirens introduced the project with note that the first segment is science based to identify sites. Policy and economic impact discussion will follow. Comm. Napstad's introductory comments to the meeting addressed the policy impacts and the difficulty of separating designations from potential mitigations that would result in a changed economy for a county and that special accommodations must be made not to undermine economic viability of a county with significant mitigation potential. Mr. Bob Whiting of the Army Corps of Engineers introduced himself to the meeting without comments.

Breakout session issues addressed SWCD and LGU Field Truthing and GIS Data Collection, Wetland Mitigation and Siting Analysis, and Mining Issues. Comm. Napstad noted that mining interests will have to do a lot of mitigation and that concern arises that they will buyout farms identified as mitigation sites. Comm. Beckel added that Lake of the Woods and Roseau farmland are already being considered for mitigation and is inexpensive and that this can threaten viability of farm families; farmland is the immediate, because easiest, target of mitigation. Mr. Carroll reported that a DNR land asset pilot project is currently considering value of public land.

Comm. Larson commented that federal lands were not being considered while all lands should be under consideration. The Corps will not have a stake if an inventory does not include federal lands. Comm. Beckel encouraged comments in favor of inclusion of the Corps. Mr. Lehtinen mentioned notice from Dale Krystosek on wetland mitigation meetings on July 7 and 12.

3) Draft Northeast Minneosta Wetland Banking Strategy: Correspondence from Ron Harnack of Water Resources Consulting proposes an initiative to justify the need and funding for a Northeast Wetland Banking Cooperative and developing a base of wetland credits for the Northeast region. The Chair reviewed the proposal that parallels similar discussions. Mr. Harnack proposes seeking \$200,000 for establishing a cooperative and between 1.75 and 2.25 million dollars to establish wetland credits. Mr. Harnack proposed having the NCLUCB function as the cooperative. The Board would like to hear a presentation by Mr. Harnack who is available in September.

4) Section 36 and 16 School Trust Lands: Comm. Johnson raised concern over 36 trust fund parcels in Cook County, 13 of which are in the BWCA; citizen questions have arisen over potential sale by the state to generate funds for the school trust fund. Mr. Engwall reported that the DNR has for a long time considered trading lands inside the BWCA out because of a lack of ability to generate income on those lands as the DNR is constitutionally obligated to do. It will be a long-term issue. Mr. Carroll noted 29 years of consideration and a need for congressional level action. Action has taken place in Idaho and Utah. Some interests do not want county or state management on lands restricted by federal rules in the BWCA. State legislative pressure exists to review DNR management of trust lands, in part because of present-day income potential of land and education finance pressures. Minnesota is unusual in demanding income generating balanced with natural resource protection. Comm. Fenwick suggested that there will be interest pressure to sell the land and invest the funds rather than manage the lands. The Chair recalled eight years ago, in a Washington, D.C., meeting, forestry officials who were themselves not in agreement. Mr. Carroll noted Minnesota legislative funding for a study that identified parcels for optimization in his district.

5) Wisconsin Timber Auction Bids: Comm. Fink distributed a list of closed auction bids of July 8, 2008, in Washburn County Forest, Wisconsin. Information only.

FEDERAL

1) Legislative-Citizen Commission on Minnesota Resources: Statewide Conservation and Preservation Plan: The Director reported that he had distributed to the Board information on the final draft of the Statewide Conservation and Preservation Plan completed June 30, 2008. Staff of the University of Minnesota prepared a document identifying critical issues and trends, including integrated planning, critical land protection, land and water restoration and sustainable practices, and economic incentives for sustainability. DNR Deputy Commissioner Laurie Martinson commented in the press that the plan would

be used as a framework for planning their biennial budget. Comm. Fenwick asked if this would be of interest to NCLUCB. Mr. Engwall noted that \$300,000 was appropriated for the stand-alone plan and that while DNR staff was interviewed there is no mechanism for transition from the plan to funding. Mr. Carroll noted that the LCCMR will use the plan to present resource priorities to the state legislature. One question is if it will result in a displacement of general funds or an addition. While the plan has certain themes the DNR will respond to, it does not provide a transition to how the funding of a new citizen committee will be put in place. Comm. Fenwick would like to keep the plan in mind in terms of the "3/8-of-one-percent initiative." The plan may couple the significant lottery funds to designated areas and not make it available for other purposes. Different isolated silos for environmental funding are already being created. The conversation needs to be changed. Mr. Lehtinen suggested staff will be responding as few staff knew about the study. Mr. Fenwick drew a parallel between the LCCMR and the Met Council regarding environmental issues: citizens are handling state tax money without accountability.

The Chair asked for interest from Board members. Comm. Beckel offered a project update received from John Shardlow of Bonestroo consulting for distribution. Mr. Carroll reviewed that a grant for the plan garnered few bidders and the Univ. of Minnesota put it together quickly. He recommended oversight. One could talk with the leads from the study, including Prof. Mike Kilgore. Mr. Engwall and Mr. Carroll will check on its status and Mr. Carroll will get back to the Director. The DNR did not bid on the project due to concern of reinforcing silos of funding. Mr. Lehtinen can also follow up with Jean Coleman of CR Planning. Comm. Napstad suggested that MRCC may be a better body to follow the issue. The Chair will contact Dan Larson to see if he is tracking the issue.

2) Heart of the Continent Partnership: The Director reviewed a distributed policy sheet and a press release from the HOCP, noting that he had spoken with Kathleen Przybylski, management assistant/administrative officer with Voyageurs National Park about the background of the organization. Discussions in 2006 on how to promote the centennial anniversary of the Superior National Forest and Quetico Provincial Forest led to discussion of what mutual benefits might evolve from a partnership. About 23 potential partners attended preliminary meetings. Determination was made that it would not be a policy group but rule making would be carried out within each member organization or agency. The partnership will promote the existing federal and state parks as a "world class international adventure destination." A part time coordinator has been hired who is polling involved organizations to determine continued membership. Planned currently are science symposiums and a canoe trip to promote stopping points on the route. Meetings will be held October 23-24 in Duluth and January 9 in International Falls.

The Chair added that visitors to meetings are welcome. He expressed concern over the policy initiatives that might be engendered. Comm. Lepper said the partnership did not get a warm reception at Koochiching County as the county had not been informed about the process and that no elected officials were involved. Mr. Engwall noted that he had shared concerns about the planning process and potential policy making while at the same time the sharing of information by land managers may be positive; he encouraged a visit to NCLUCB. The Chair saw a parallel with the IJC which initially did not create policy. The Partnership may visit the board for presentation question and answer in September or October.

3) Lynx Critical Habitat Designation: No reopening of the comment period on the Canada Lynx has been announced. The Chair noted proposed revisions to a distributed draft comment from NCLUCB reflecting suggestions of Comms. Rauker and Fink. The Chair noted that with so much land in the proposed area already covered by management plans, the inclusion of private lands seems superfluous. The letter might be useful to NACo. Motion to accept the draft with revisions to be submitted to the Fish and Wildlife Service.

m: Lepper s: Johnson

4) Mike Cummins, candidate for Representative of Minnesota's Eighth Legislative District: Mr. Cummins told the Board that he is a construction project manager, from south Pine County, interested in energy, local jobs, health care and environmental issues and in listening to people not special interests. He can be reached by email at cumminsforcongress.com.

PRESENTATION

American Properties Coalition, Don Parmeter speaker. Mr. Parmeter introduced Linda Runbeck of the coalition and then reviewed eight national legislative initiatives affecting northern Minnesota, including: The Wilderness Act that has led to areas being managed by the National Park Service as if they were designated wilderness; Wild and Scenic Rivers Act that involved northern counties in institution of

Local Rivers Initiative, though after controversy in Oregon expansion was curtailed; National Trails System Act includes the North Country Scenic Trail and the failed Voyageurs National Historic Trail; National Natural Landmarks that includes six northern Minnesota sites, a program that stalled in the 1990s; Man and Biosphere Reserves Program, a UNESCO initiative withdrawn from National Park Service activity because of local opposition; Land and Water Conservation Fund that requires states to produce a Comprehensive Outdoor Recreation Plan, that includes water use, to qualify for funding to be approved by National Park Service; Endangered Species Act, that includes 11 animals and 4 plants found in Minnesota; Clean Water Act curbed by two U.S. Supreme Court decisions and currently under potential expansion of authority under Clean Water Restoration Act; Heart of the Continent Partnership, of which available information is piecemeal and of which the Clean Water Legacy Act may be a parallel development of an ostensibly non-policy group being driven by policy-driven organizations; and the Rainy/Lake of the Woods Watershed - H.F. 3691 to set up a state task force to help resolve federal issues and streamline regulations. (Other statutes of concern include the Coastal Greenways, Wild Lands Project and especially the National Heritage Areas of which the northern Mississippi River is part.)

Mr. Parmeter reviewed the Quincy Library joint powers project of California that might provide a template of how to manage northern Minnesota forests with local input based on a watershed boundary. Comm. Forsman provided details of loggers and environmentalists working together in Quincy to address forest sales and management and fire abatement, resulting in federal funding as well as local input.

Mr. Parmeter summarized his concern by encouraging less reaction to initiatives and more local input. The first step would be approaching the state legislature with Rainy/LofWoods Watershed bill and move eventually to the federal level. Comm. Jensen suggested a more inclusive name for the bill. Mr. Lehtinen discouraged formation of another watershed plan when the existing decentralized basin plan by MPCA has local acceptance and when at local levels there are local water plans, wetland plans and comprehensive plans. Mr. Parmeter replied that the goal is a policy plan. Comm. Fink noted the Lanning Bill, that aims at establishing a comprehensive special taxing district and was initiated due to an area of the Red River not collecting taxes. Mr. Carroll suggested care in distinguishing the encouragement of interaction among water districts from the corralling of the Forest Service.

Mr. Joe Chlebeczek of Ray asked about how to make the Heart of the Continent process more transparent. Mr. Parmeter noted press awareness has helped. Mr. Chlebeczek noted that the administrative assistant of Voyageurs National Park had told him that member organizations of HOCP are not controlled. The general population does not always hear details available to officials, noted the Chair; the Board and presentations to it can help alert citizens. Mr. Parmeter and Ms. Runbeck offered to keep board informed and collaborate on issues, including the Wetlands Conservation Act.

FEDERAL – cont'd

5) NACO Public Lands Committee Meeting in Kansas: Comm. Johnson briefly reviewed resolutions considered, including those on: PILT funding disparities; SRS funding; Oil shale exploration; Bureau of Land Management and trouble with fires on grazing lands; Fire mitigation by allowing governors to declare disaster before fires to clear out trees beforehand (did not pass); support for Environment, Energy and Land Use Committee for nexus on water in the CWRA; support to level the field for concessionaires renting federal property by making federal entities pay fees comparable to taxes. Comm. Johnson said he shared slides of fire fighting in Cook County, including crews in canoes fighting fires on Seagull Lake.

Chairman Fink reviewed NACo conversation on the Clean Water Restoration Act because of 1) interest in the topic 2) organizational moves led by Wisconsin environmental interests and Wis. Sierra Club president and 3) politics. Four committees heard two resolutions: 1) resolution against CWRA in toto (passed by three committees last year and failed in one) which passed in Agriculture and Transportation but failed in Environment, Energy and Land Use Committee where it failed 28-13. The Board of Directors took up the issue as a line item; debate by 130 members; resolution passed 127-3. 2) Task Force to review language for discussion with authors: five points a) there is not a definition of “state waters” in the umbrella act (while state constitutions give control over land and water) b) exceptions should remain c) better administrative process is needed d) rule writing should be done on transparent cycle e) change in definitions over time should lead to modernization. That resolution passed in all four committees, maintaining credibility of position.

6) Association of Minnesota Counties (AMC) Policy Committee Meetings: Comm. Napstad reported that the AMC Policy Committee had been introduced to the draft Lanning bill by BWSR Exec. Dir. John Jaschke and Representative Morrie Lanning, who were seeking advice of commissioners. The presentation was received coolly, especially from the funding perspective as counties are to collect funds

that the water basin and watershed would split. From a scientific and logical perspective it may make sense to manage on a basin level basis, though not if it is redundant. The decision was to create a subcommittee to explore the issue. If funding is not cleared up, county commissioners may not agree to another district.

The Chair noted that the bill recommends one county commissioner be on the basin board while a board made entirely of elected officials would be highly preferable. The Roseau River Watershed has expressed support, noted Comm. Jack Swanson. It would be a funding source for them. Determinations of watershed boundaries will be of interest, noted the Chair, and a property tax funding process may not be feasible and property taxes should not be the funding source for these basins.

Mr. Lehtinen argued against redundancy of watershed plans established when an area is out of the loop. Comm. Johnson asked if there needs to be another bureaucratic level. Mr. Lehtinen suggested working through existing water plans rather than to allow funds to be raised through creating a new level of administration that would ultimately curtail local control. The Chair recalled that the Ventura administration brought up consolidation of water plans; layer upon layer protecting the same thing means more funds are allocated toward administration rather than toward the initial goal.

Meeting adjourned at 12:25 p.m.

Next Meeting Date and Location: **Sept 4, 2008, 9:30 a.m. Iron Range Resources Classroom Chisholm.**

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