

**Main Request for Funding Form**  
**Lessard-Sams Outdoor Heritage Council**  
**Fiscal Year 2012**

**Program or Project Title:** Grand Marais Creek Outlet Restoration

Funds Requested (\$000s)	Funding Request	OHF Out-Year Projections of Needs		
	FY 2012	FY 2013	FY 2014	FY 2015
Outdoor Heritage Fund	<b>\$4,740,000</b>	0	0	0

**Manager's Name:** Myron Jesme  
**Organization:** Red Lake Watershed District  
**Street Address:** 1000 Pennington Avenue South  
**City:** Thief River Falls **State:** MN **Zip:** 56701  
**Telephone:** 218-681-5800  
**E-Mail:** jesme@wikel.com  
**Organization Web Site:** www.redlakewatershed.org

**County Location:** Polk

**Ecological Planning Regions:**

- Northern Forest     
  Forest/Prairie Transition     
  Southeast Forest  
 Prairie     
  Metro/Urban

**Activity Type:**

- Protect     
  Restore     
  Enhance

**Priority Resources addressed by activity:**

- Wetlands     
  Forests     
  Prairie     
  Habitat

## **Project Abstract**

This project will restore habitat in six miles of disconnected river channel and 470 acres of stream corridor, and stabilize another channel to improve aquatic habitat conditions in Red River.

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## **Project Narrative**

### **Design and scope of work**

Six miles of natural stream habitat on Grand Marais Creek, a State of Minnesota Public Waters Watercourse, were bypassed with a ditch in the early 1900s. This action resulted in the loss of six miles of riverine and riparian corridor habitat, and diminished opportunities for fish passage to and from Red River and Grand Marais Creek. The Red Lake Watershed District, Middle Snake Tamarac Rivers Watershed District, landowners, and local, state, and federal agencies are ready to restore the natural stream channel and water flow to these six miles of disconnected aquatic habitat. Preliminary engineering is complete, environmental review is complete, and all land acquisition is complete. This six mile restoration is one of the greatest opportunity to directly restore stream habitat in the Red River of the North basin.

The project will use the scientific principles of natural channel design, hydrology, and fluvial geomorphology to restore the natural channel dimension, pattern and profile and range of stream flows to six miles of river channel and 470 acres of riparian corridor habitats, which were abandoned and mostly farmed for the past 50+ years. A water control structure will be designed to allow bankfull-level flows to return to the six miles of the Grand Marais Creek channel bypassed in the early 1900s. Also, aquatic habitat conditions in Red River of the North will be improved by stabilizing the existing diversion channel, thus reducing erosion and associated excessive sediment inputs.

The restored river channel will provide permanent and seasonal spawning and juvenile habitat to a variety of fish species, such as northern pike and channel catfish, and create permanent and seasonal habitats for many other aquatic and terrestrial plant and animal species that depend on healthy riparian corridor habitat. The restored channel will also provide a more functional, reliable connection between Red River and more than 20 miles of upstream riverine and wetland habitats in Grand Marais Creek. The watershed district has already acquired 470 acres of corridor habitat through RIM and this will be seeded into native perennial vegetation.

The watershed district initiates projects based on priority problems identified in the watershed district plan ([://www.redlakewatershed.org/planupdate](http://www.redlakewatershed.org/planupdate)). This project is part of much larger efforts in the entire Grand Marais Creek watershed to reduce flood

damages, enhance natural resources, and improve water quality. The Red Lake Watershed District and the Grand Marais Creek Joint Powers Board have lead efforts to reduce flood damages and enhance natural resources in the Grand Marais Creek subwatershed for more than five years. This work has resulted in numerous projects upstream from the project area including land use changes, targeted watercourse buffering, creation of multiple impoundments and ditched channel restorations.

Substantial time, money, and resources have already been invested in this habitat restoration project. The project is the result of careful planning and engineering by an interdisciplinary project team of resource professionals and local landowners dedicated to reducing flood damages and enhancing natural resources in the Grand Marais Creek subwatershed of the Red Lake River watershed. Under the leadership of the Watershed District and Joint Powers Board, the technical input from the project team has resulted in building numerous successful projects in this watershed including two multipurpose impoundments, restoration of ditches into natural sinuous channels, and almost 1,000 acres of lands enrolled in various conservation programs (CREP, CRP, WRP, CCRP). The Grand Marais Creek outlet restoration will complete this comprehensive project. Lands have been acquired, environmental review is complete and preliminary design and engineering is complete. Landowner support is secure and the Polk County Board of Managers has approved a resolution in support of the project. All necessary permits (e.g., DNR protected waters, PCA 404, U.S. Army Corps of Engineers) are in the application process and no significant issues have been identified in direct discussions with permitting agency representatives during project team meetings. The project has been approved by the Red River Water Management Board, and the project team has completed a project readiness form, which has been approved by the Flood Damage Reduction Work Group.

A lack of sufficient funding is the only known obstacle that would delay completion of this project. Current landowners and decision makers support the project, so it is important to finish the project at this time. If the channel restoration is not complete soon the project will be at risk of being stalled indefinitely.

## **Planning**

### **Minnesota Statewide Conservation and Preservation Plan**

Proposed projects are consistent with *“Habitat recommendation 6: protect and restore critical in-water habitats of lakes and streams”*

In particular, it is consistent with the recommendations on page 82: *“A priority for former prairie zones of Minnesota is to reverse the negative effects of stream channelization on in-stream habitats for fish and other aquatic organisms.....”*

### **Lessard – Sams Outdoor Heritage Council Preliminary Goals and Objectives 25-Year Targets, Prairie Section, August 27, 2009**

This planning document includes a table on page 11 that identifies stream habitat restoration and protection goals and objectives. This proposed project is consistent with this plan and will help achieve year one goals for channel restoration and riparian restoration.

### **Red Lake Watershed District Plan (2006)**

This proposed restoration project is consistent natural resource enhancement and water quality goals and objectives outlined in the Red Lake Watershed District Plan.

### **Red River Basin Mediation Agreement (1998)**

This habitat restoration project is consistent with the flood natural resource goals and objectives in the mediation agreement including:

1. *Manage streams for natural characteristics.*
2. *Enhance riparian and in-stream habitats.*
4. *Provide connected, integrated habitat including compatible adjacent land uses.*
6. *Provide recreational opportunities.*

### **Campaign for Conservation – Fifty Year Vision**

This habitat restoration project is consistent with the recommended actions in the fifty year vision for the Red River Valley planning region as follows:

#### *C. Lakes, Rivers, Wetlands and Groundwater*

2. *Return watercourses to semi-natural hydrology and morphology.*

#### *D. Fish and Wildlife*

1. *Develop incentives and regulations for enhanced protection of shoreline and stream restoration in both Minnesota and North Dakota.*

4. *Ensure that suitable habitat for species of concern is primary focus of land and water conservation efforts.*

5. *Expand private landowner stewardship incentive programs. Provide ongoing funding to entice landowners to idle (plant grass or trees) acres in sensitive wetland, riparian, and prairie areas.*

6. *Create habitat corridor connections for prairie chickens and other grassland species across the Red River Valley from the Agassiz Beach Ridges prairies in the east to the Sheyenne National Grasslands in the west. Corridors are needed to provide dispersal routes and prevent genetic isolation.*

### **State AMA Acquisition Plan**

This project is consistent with the following recommendations from the Red River Prairie Ecoregions needs section of the plan:

*“The recreational demand on this area of the state will likely outpace the projected population change and additional public access to fishing lakes and streams is a priority. Permanent angling and management easements on streams, while maintaining private ownership, draw anglers to the area, bring*

*additional dollars into the local economy, and provide the inroad to create permanent protection to shoreline habitat, which insures clean water for future generations. Additional lake and warmwater shoreline should still be acquired when extraordinary opportunities arise and County approval is obtained. There may be opportunities for Non-Government Organizations to acquire critical shoreline parcels in this area, to either be managed by them or turned over to the DNR as AMAs or other Outdoor Recreation Units.”*

### **Tomorrow’s Habitat for the Wild and Rare- Minnesota’s Comprehensive Wildlife Conservation Strategy**

This project is consistent with the following goals and strategies.

*Goal 1: Stabilize and increase SGCN populations*

*3. Nonforested wetlands and floodplain forests*

*c. manage habitats adjacent to wetlands and floodplain forests to enhance SGCN values*

*4. Stream habitats*

*a. maintain good water quality, hydrology, geomorphology, and connectivity in priority stream reaches*

*b. Maintain and enhance riparian areas along priority stream reaches*

### **National Fish Habitat Action Plan**

These projects in this proposed *program* are consistent with the goals and objectives of this plan.

- *Reverse declines in the quality and quantity of aquatic habitats to improve the overall health of fish and other aquatic organisms.*
- *Increase the quality and quantity of fish habitats that support a broad natural diversity of fish and other aquatic species.*

### **Relationship to Other Constitutional Funds**

Similar to other stream, wetland and prairie restorations, this restoration project is primarily a habitat restoration project with incidental clean water benefits. Grand Marais Creek is listed as an impaired water (303d list). BWSR and MPCA have been members of the watershed based project team that helped develop this project. The watershed district will consider preparation of grant applications for BWSR clean water assistance and BWSR shoreland improvement grants that are due December 1, 2010. RIM has already been used to acquire the land needed for this habitat restoration project

### **Relationship to Current Organizational Budget**

The Red Lake Watershed District is a unit of local government, a political subdivision of the State. The Red Lake Watershed’s 2010 General Fund budget is \$180,900 and our 2010 Capital Project Budget is projected to be \$1,080,500 which is approximately 23% of the OHF funding request. This grant will not affect the current budget and will not replace our customary or established patterns of funding as we budget for these types of projects on a yearly basis. In the last four years, the District has executed upwards of 6 million dollars of matching grants from various state agencies to administer and

construct various flood damage reduction and natural resource enhancement projects throughout the Red Lake Watershed District

### **Sustainability and Maintenance**

The Red Lake Watershed District and the Grand Marais Creek Joint Powers Board, in cooperation with landowners, will be responsible for long term maintenance of this project. The watershed district has led the land acquisition, project development, and engineering of this project with full cooperation of a “Project Team” composed of landowners and representatives of local, state, and federal agencies. The Red Lake Watershed District initiated this project by action of their board under watershed district law (Minnesota Statutes 103D). Long term project maintenance is thus authorized through established Watershed District construction and maintenance funds. Maintenance of vegetation along the newly created stream corridor is provided as part of Reinvest in Minnesota (RIM) permanent easement contracts.

### **Types of Projects**

#### **Fee Acquisition Projects**

Will local government approval be sought prior to acquisition?

Yes                       No, please explain                       not applicable

**Land acquisition is complete with RIM easements.**

If no, please explain here:

Is the land you plan to acquire free of any other permanent protection?

Yes                       No, please explain                       not applicable

If no, please explain here:

#### **Easement Acquisition Projects**

Will the eased land be open for public use?

Yes                       No, please explain                       not applicable

If no, please explain here: **Landowner desires to maintain private ownership on the easement, however, the Grand Marais Creek flowing through the easement area is public waters and, thus, open for public use according to State law.**

Will the conservation easement be permanent?

Yes                       No, please explain                       not applicable

If no, please explain here: **The 470 acres of acquired RIM easements are perpetual as well as the pending flowage easement.**

**Restoration and Enhancement Projects**

Is the activity on permanently protected land and/or public waters?

Yes                       No, please explain                       not applicable

If no, please explain here:

Does the activity take place on an Aquatic Management Area (AMA), Scientific and Natural Area (SNA), Wildlife Management Area (WMA), or State Forests?

Yes, which ones                       No, please explain                       not applicable

**The channel restoration occurs on Grand Marais Creek, which is public waters, and 470 acres of land adjacent to the stream channel is privately owned and under perpetual RIM easement.**

If so, please indicate which ones:

**Accomplishment Timeline**

<b>Activity</b>	<b>Milestone</b>	<b>Date</b>
<b>Conduct Public Meetings</b>		Completed
<b>Prelim. Engineering Report</b>		Completed
<b>Environmental Assessment</b>		Completed
<b>Land Acquisition (RIM)</b>		Completed
<b>Detailed Engineering/Design</b>	Design completed	Fall 2010
<b>Final Hearing</b>	Conducted	March 2011
<b>Environmental Permits</b>	Permits acquired	March 2011
<b>Plans and Specifications</b>	Plans and specs finalized	April 2011
<b>Construction Contracting</b>	Const. contract signed	June 2011
<b>Project Construction</b>	Initialize construction	July 2011
	Channel restoration	Fall 2011
	Diversion structure	Fall 2011
	Channel stabilization	Fall 2011
	Final construction activities	Summer 2012

**Attachments:** *[Attach these documents to the web application form.]*

- A. Budget**
- B. Proposed Outcome Tables 1-5**
- C. Map**
- D. Parcel List**

**Attachment A. Budget Spreadsheet**

[Link Here to definitions of the budget items below.](#)

**Total Amount of Request**     \$ 4,746,000 *From page 1 on the funding form.*

**Personnel**

Position breakdown here	FTE	Over # of years	LSOHC Request	Anticipated Cash Leverage	Cash Leverage Source	Total
<i>District Administrator</i>	0.3	2	\$ 82,000			\$ 82,000
<i>Admin Asst</i>	0.07	2	\$ 20,000			\$ 20,000
<i>Engineering Technician</i>	0.63	2	\$ 175,000			\$ 175,000
						\$ -
						\$ -
						\$ -
						\$ -
<b>Total</b>	<b>1</b>		\$ 277,000	\$ -	\$ -	\$ 277,000

**Budget and Cash Leverage** *(All your LSOHC Request Funds must be direct to and necessary for program outcomes.)*

*Please describe how you intend to spend the requested funds.*

Budget Item	LSOHC Request	Anticipated Cash Leverage	Cash Leverage Source	Total
<b>Personnel - auto entered from above</b>	\$ 277,000	\$ -	\$ -	\$ 277,000
<b>Contracts</b>	\$ 3,759,000	\$ 500,000	<i>Local Taxes</i>	\$ 4,259,000
<b>Fee Acquisition w/ PILT</b> <i>(breakout in table 6 &amp; 7)</i>				\$ -
<b>Fee Acquisition w/o PILT</b> <i>(breakout in table 6 &amp; 7)</i>				\$ -
<b>Easement Acquisition</b>	\$ 270,000	\$ 530,000	<i>RIM</i>	\$ 800,000
<b>Easement Stewardship</b>				\$ -
<b>Travel (in-state)</b>				\$ -
<b>Professional Services</b>	\$ 440,000	\$ 75,000	<i>State Grant Match</i>	\$ 515,000
<b>DNR Land Acquisition Costs</b>				\$ -
<b>Other</b>				\$ -
Capital Equipment				\$ -
Other Equipment/Tools				\$ -
Supplies/Materials				\$ -
	\$ 4,746,000	\$ 1,105,000	\$ -	\$ 5,851,000



## Attachment B. Proposed Outcome Tables

Only enter data in the outlined cells

*Table 1 and Table 3 column totals should be the same AND Table 2 and Table 4 column totals should be the same*

*If your project has lakes or shoreline miles instead of land acres, convert miles to acres for Tables 1 and 3 using the following conversion:*

*Lakeshore = 6 acres per lakeshore mile / Stream & River Shore = 12 acres per linear mile, if both sides*

**Table 1. Acres by Resource Type**

Describe the scope of the project in acres (use conversion above if needed)

	Wetlands	Prairies	Forest	Habitats	Total
Restore	40	132	110	101	383
Protect					0
Enhance	35				35
<b>Total</b>	75	132	110	101	

Total Acres (sum of Total column)

418 *These two cells should be the same figure.*

Total Acres (sum of Total row)

418

**Table 2. Total Requested Funding by Resource Type**

	Wetlands	Prairies	Forest	Habitats	Total
Restore	\$ 45,000	\$ 100,000	\$ 80,000	\$ 3,576,000	\$ 3,801,000
Protect					\$ -
Enhance	\$ 45,000				\$ 45,000
<b>Total</b>	\$ 90,000	\$ 100,000	\$ 80,000	\$ 3,576,000	

Total Dollars (sum of Total column)

\$ 3,846,000 *These two cells should be the same figure.*

Total Dollars (sum of Total row)

\$ 3,846,000

Check to make sure this amount is the same

as the Funding Request Amount on page 1 of Main Funding Form.

**Table 3. Acres within each Ecological Section**

	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest	Total
Restore				418		418
Protect						0
Enhance						0
<b>Total</b>	0	0	0	418	0	

Total Acres (sum of Total column)

418 *These three cells should be the same figure.*

Total Acres (sum of Total row)

418

Total Acres from Table 1.

418

## Attachment B. Proposed Outcome Tables

**Table 4. Total Requested Funding within each Ecological Section**

	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest	Total
Restore				\$ 3,801,000		\$ 3,801,000
Protect						\$ -
Enhance				\$ 45,000		\$ 45,000
<b>Total</b>	\$ -	\$ -	\$ -	\$ 3,846,000	\$ -	

Total Dollars (sum of Total column)

\$ 3,846,000

*These two cells should be the same figure.*

Total Dollars (sum of Total row)

\$ 3,846,000

Check to make sure these amounts are the same

as the Funding Request Amount on page 1 of Main Funding Form.

**Table 5. Target Lake/Stream/River Miles**

# miles of Lakes / Streams / Rivers Shoreline

**Table 6. Acquisition by PILT Status (enter information in acres)**

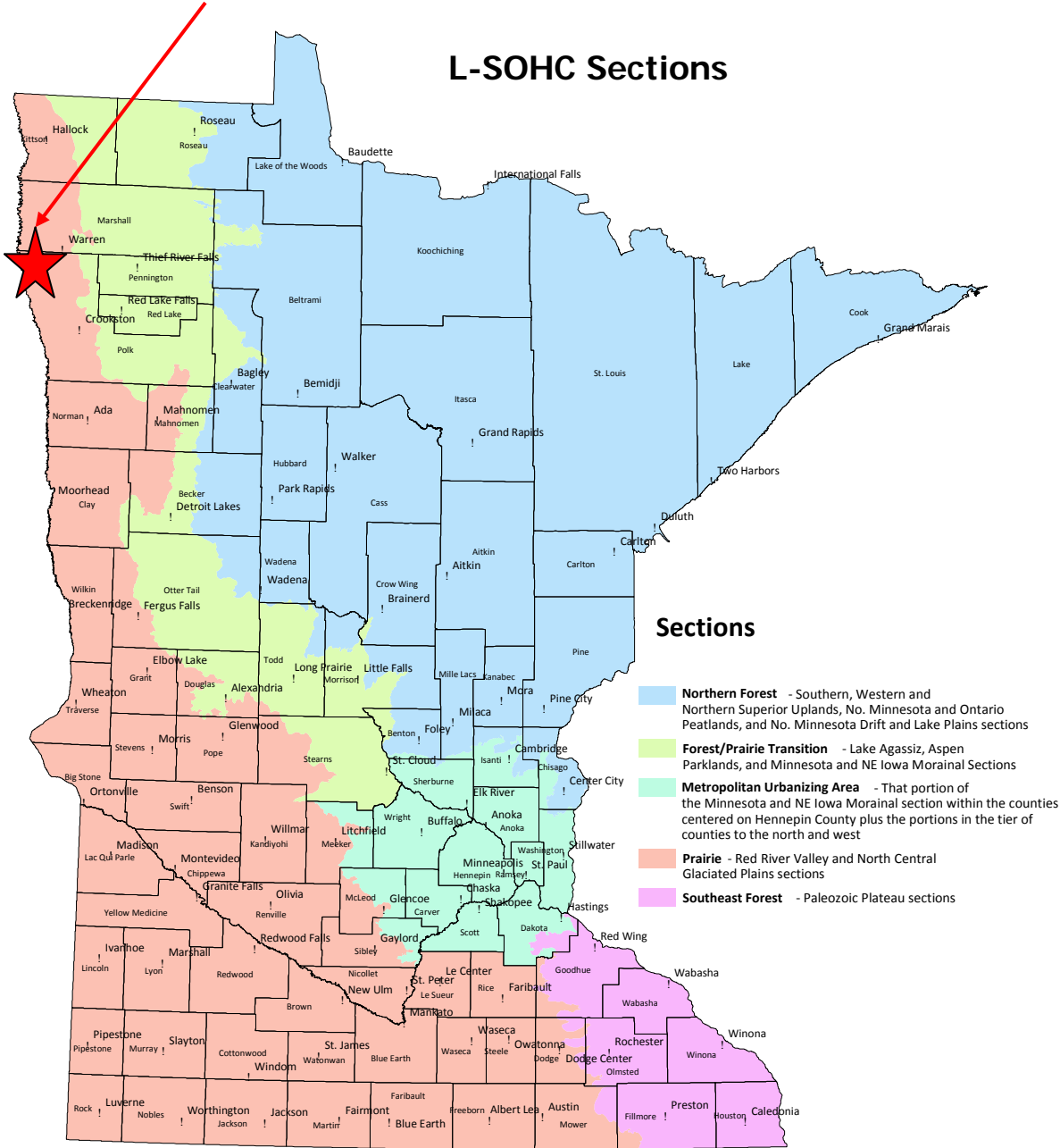
	Wetlands	Prairies	Forests	Habitats	Total
Acquired in Fee with State PILT Liability					0
Acquired in Fee without State PILT Liability					0
Permanent Easement NO State PILT Liability	75	132	110	101	418

**Table 7. Estimated Value of Acquisition by PILT Status (enter information in dollars)**

	Wetlands	Prairies	Forests	Habitats	Total
Acquired in Fee with State PILT Liability					\$ -
Acquired in Fee without State PILT Liability					\$ -
Permanent Easement NO State PILT Liability	\$ 90,000	\$ 100,000	\$ 80,000	\$ 3,576,000	\$ 3,846,000

# Attachment C.

Location of Proposed Grand  
Marais Creek Outlet Restoration



## Attachment D. Parcel List

**Program Title**

Parcel Name	County	Township	Range	Direction	Section	TRDS	# of acres	Budgetary Estimate (includes administrative, restoration or other related costs and do not include matching money contributed or earned by the transaction)	Description	Activity R=Restore P=Protect E=Enhance	Any existing protection? (yes/no)	Open to hunting and fishing? (yes/no)
<i>Maynard Gulbranson</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>NW1/4</i>	<i>15</i>		<i>5</i>	<i>\$4,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Maynard Gulbranson</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>SW1/4</i>	<i>15</i>		<i>5</i>	<i>\$4,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>C. Nelson</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>NE1/4</i>	<i>15</i>		<i>5</i>	<i>\$4,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Johnson</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>SE1/4</i>	<i>16</i>		<i>25</i>	<i>\$19,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Hulleng</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>NE1/4</i>	<i>16</i>		<i>15</i>	<i>\$11,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Miles Gulbranson</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>NE1/4</i>	<i>22</i>		<i>25</i>	<i>\$19,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Maynard Gulbranson</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>NE1/4</i>	<i>22</i>		<i>30</i>	<i>\$23,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Mack</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>SE1/4</i>	<i>22</i>		<i>110</i>	<i>\$80,000</i>	<i>Forested</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Mack</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>SE1/4</i>	<i>22</i>		<i>15</i>	<i>\$45,000</i>	<i>Wetland</i>	<i>R/E</i>	<i>No</i>	<i>No</i>
<i>Loeck</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>SE1/4</i>	<i>23</i>		<i>32</i>	<i>\$24,000</i>	<i>Prairie</i>	<i>R</i>	<i>No</i>	<i>No</i>
<i>Loeck</i>	<i>Polk</i>	<i>153</i>	<i>50</i>	<i>SE1/4</i>	<i>23</i>		<i>60</i>	<i>\$45,000</i>	<i>Wetland</i>	<i>R/E</i>	<i>No</i>	<i>No</i>
<i>Grand Marais Channel</i>	<i>Polk</i>	<i>153</i>	<i>50</i>				<i>6 miles</i>	<i>\$3,576,000</i>	<i>Habitat for Fish, Game, Wildlife</i>	<i>R</i>	<i>No</i>	<i>No</i>