Lessard-Sams Outdoor Heritage Council
Laws of Minnesota 2020 Accomplishment Plan

Date: December 19, 2019

Program or Project Title: Knife River Habitat Rehabilitation-Phase V

Funds Recommended: $ 817,000

Manager's Name: Tony Cuneo and Kevin J.Bovee
Title: Ex. Director and Project Manager
Organization: Zeitgeist (ZG) and Lake Superior Steelhead Association (LSSA)
Address: 222 E. Superior Street, Duluth, MN . 55802
Address 2: P. O. Box 16034, Duluth, MN 55816
City: Duluth, MN 55816
Office Number: 218-336-1410
Mobile Number: 218-269-7427
Email: Tony@zietgiestarts.com
Website: www.steelheaders.org

Legislative Citation: ML 2020, Ch. X, Art. 1, Sec. 2, subd XX

Appropriation Language:

County Locations: Lake, and St. Louis.

Eco regions in which work will take place:

- Northern Forest

Activity types:

- Enhance

Priority resources addressed by activity:

- Forest
- Habitat
- Wetlands

Abstract:

Eroding streambanks in the Knife River Watershed have degraded trout habitat and resulted in a total maximum daily load (TMDL) exceedance for turbidity. The LSSA proposes to rehabilitate instream habitat to increase trout spawning and rearing. Natural Channel Design construction techniques will be utilized to create a self-sustaining project that enhances instream habitat, improves channel stability, facilitates sediment transportation, stabilizes eroding streambanks, creates riparian wetlands and replant riparian trees/pollinator shrubs. This project will only be performed on public land or private land within a DNR easement. For more project information, please visit our website: www.steelheaders.org/projects.

Design and scope of work:

Problem Addressed:

The Minnesota Pollution Control Agency (MPCA) performed a water quality study from 1986-1996 on the Knife River. This water quality study determined that the Knife River exceeded the TMDL for turbidity. The MPCA conducted a follow-up study in 2008 to determine the sources of this turbidity. This study determined that the sources of the TMDL turbidity exceedance was primarily due to erosion from streambanks and stream bluffs. The LSSA assessed these identified erosion areas in the watershed (see illustration) to determine

if the habitat remained suitable for trout. The LSSA found that summertime streamflow and water temperatures were sufficient for trout growth, but instream habitat was degraded from sediment deposition.

The LSSA and DNR have concluded that adult trout spawning and juvenile trout rearing habitat could be significantly improved by rehabilitating this stream reach. This project will provide an added secondary benefit to water quality by reducing sediment discharge. By stabilizing these banks this project will contributing to reducing the Knife River's elevated Turbidity levels.

Scope of Work:

- Restore the stream channel's shape, dimension and profile.
- Enhance instream trout habitat strategically positioning large woody debris, rock vanes and "J" hooks into the channel.
- Restore large woody debris back into the watershed.
- Create new floodplains wetlands.
- Remove flood debris/sediment from floodplain wetlands.
- Reconnect the river channel to the floodplain.
- Raise the groundwater table.
- Stabilize streambanks.
- Rehabilitate the riparian overhead tree canopy.
- Monitor water temperature and stream assessment.

How Priorities Were Set:

The MPCA identified erosion areas within the Knife River Watershed and determined sections of Reach 4 contributed to the overall TMDL exceedance for Turbidity. The LSSA also conducted a series of stream assessments to identify adequate streamflow and cool water temperatures to support trout growth. Biological data was collected to determine the quality of in-stream trout habitat. This data was combined and ranked to prioritize restoration areas that provide the best benefit to aquatic life and water quality in the Knife River Watershed.

Another major consideration in the prioritization of this stream reach is its upstream location. Our restoration goal is to utilize a top-down approach, so major upstream erosion does not re-impact the restoration project and floodwaters can be retained to minimize existing downstream impacts. So, this top/down approach not only rehabilitates a degraded upstream reach but also minimizes downstream impacts.

Urgency and Opportunity of the Project:

The upper section of Reach 4 is scheduled for construction during the summer of 2019 and the middle section of Reach 4 was awarded last year (2108) and construction is anticipated to begin the fall of 2019. This Lower Reach 4 project will restore the remaining 4,000+ linear feet of Reach 4. If this project is funded, construction will begin in the fall of 2020.

Stakeholder Involvement:

The LSSA has collaborated with Jeff Tillma, DNR Stream Specialist and Deserae Hendrickson, DNR Duluth Area Fisheries Supervisor for the past three years on the Reach 4 restoration project and have implemented several of the DNR's project ideas.

How does the request address MN habitats that have: historical value to fish and wildlife, wildlife species of greatest conservation need, MN County Biological Survey data, and/or rare, threatened and endangered species inventories:

The Knife River is a designated trout stream. The trout stream designation is provided to watersheds that have a cold-water resource. Cold-water streams are designated for protection because of their value to fish and wildlife and their relatively scares nature in Minnesota. The Knife River is even more unique than all other cold-water trout resources in Minnesota because this watershed has an anadromous fishery and does not have a barrier falls. The Knife River is the only watershed in Minnesota that combines these two features. Of the 60 + tributaries that connect to Lake Superior with populations of anadromous trout, only the Knife River does not have a barrier waterfall that limits upstream migration of steelhead, coaster brook trout or brown trout.

The Knife River also has another unique feature; according to DNR genetics researcher Charles Kruger, the Knife River has a genetically distinct strain of trout. Not only are these trout genetically distinct from other North Shore watersheds, but Knife River trout are genetically distinct within its own watershed. This means that trout produced in the Main Knife River are genetically different and distinct from trout produced within its tributaries of: Stanley Creek, McCarthy Creek, Main West Branch, Little West Branch, Captain Jacobson and Little Knife River.

This proposal addresses rehabilitating instream habitat to enhance and protect the uniqueness of the Knife River trout population. This

project will provide, enhance and protect instream habitats that are critical to trout spawning, rearing and staging prior to migrating to Lake Superior.

This project is even more critical with the closing of the French River Hatchery and also because the Knife River is no longer stocked. Trout stocking has been discontinued in the Knife River to protect the unique genetics of over 100 years and with the closure of the French River Hatchery the safety net is gone. So essentially, the Knife River is its own natural fish hatchery that must be protected and enhanced to continue to produce trout that have evolved unique genetic qualities and traits since the late 1800s.

Describe the science based planning and evaluation model used:

The upper Main Knife River Watershed is a geomorphically stable stream from Mile 23 (headwaters) downstream to Mile 16. At Mile 16, the stream starts to show signs of instability. This can be observed by the down cutting of the channel, eroding streambanks, sediment deposition in the channel and the streambed jumping channel and cutting across its banks. The LSSA has also determined that Mile 16 (Reach 4) is the top section where most of the steelhead spawning occurs in the Main Knife River. Because of this instability and sediment deposition, critical spawning and rearing habitat has become impaired from erosion.

The LSSA's restoration priorities have always featured a top/down restoration approach. This approach extends the habitat corridor and reduces downstream sediment deposition by creating:

• Improved trout spawning success: When trout spawn they discharge their eggs into the gravel. When sediment deposits accumulate after high spring flood events, these eggs or newly hatched trout become covered by settling silts and suffocate larval trout. By stabilizing these upstream banks sediment discharge is greatly reduced, which generally increases trout production.
• Enhanced trout rearing habitat: Juvenile trout need deep pools, undercut banks and woody debris overhangs rearing habitat. By replacing these lost habitat features, juvenile trout can rear until age 2, which is their natural emigration age to Lake Superior.
• Newly constructed floodplain: NCD restoration projects reconnect the stream channel to the floodplains, which allows floodwaters to crest the bank and dissipate the current's energy. Floodwaters also becomes trapped and stored in associated floodplain wetlands. This results in a lower velocity of floodwater and less volume that discharges downstream. This reduction of floodwater velocity and volume minimizes downstream erosion and habitat degradation.
• Reduction in downstream sediment load: By stabilizing upstream eroding banks, hundreds of tons of sediment will no longer discharge into the stream channel each year. This discharged material will no longer fill downstream pools and runs that are critical to rearing trout.

Our Reach 4 project will protect ~16.00 miles of downstream stream habitat and stabilize over a mile of slumping streambanks.

Which sections of the Minnesota Statewide Conservation and Preservation Plan are applicable to this program:

- H5 Restore land, wetlands and wetland-associated watersheds
- H6 Protect and restore critical in-water habitat of lakes and streams

Which other plans are addressed in this program:

- Long Range Plan for Fisheries Management
- Knife River Implementation Plan for Turbidity-Total Maximum Daily Load (TMDL).

Which LSOHC section priorities are addressed in this program:

Northern Forest:

- Protect shoreland and restore or enhance critical habitat on wild rice lakes, shallow lakes, cold water lakes, streams and rivers, and spawning areas

Relationship to other funds:

- Clean Water Fund
- Coastal Grant Program

Describe the relationship of the funds:

In 2012, Legacy Clean Water Fund and Great Lakes Commission provided money to the Lake County Soil and Water Conservation District

for the Knife River watershed's private stream sections. This money was used to stabilize slumping clay banks as part of the TMDL implementation plan. This money was awarded to the Lake County Soil and Water Conservation District. The Lake County SWCD has also received three Buck thorn removal grants to protect the Knife River riparian zone.

The LSSA and SWCD have been working cooperatively on separate sections of river to insure the entire watershed is addressed and improved. The LSSA is primarily working on the upper river habitat on public lands and private lands with MNDNR easements, while the SWCD is working on the lower river sections and concentrating on private lands.

The LSSA obtained a Lake Superior Coast Grant (NOAA funded/MNDNR administered) in 2018 for the design/permitting of entire Reach 4 project.

Does this program include leverage in funds:

Yes

The LSSA has used our charitable gaming funds to perform over $500,000 for Knife River restoration work prior to the Legacy Amendment being passed. This funding donated money to the DNR for the Knife River fish traps, population assessments and creel census on the Knife River, stream access stairs and walking platforms to reduce bank erosion, signs to highlight regulation changes, in stream restoration, trees, tree planting materials and labor and stocking of fish.

We continued to use our gaming funds to supplement our first two phases of this LSOHC grant. The LSSA has spent approximately $60,000 to fund grant work on private, non-easement property design on the second falls restoration project and creation of an educational/promotional video on our Grant Funded Projects. The LSSA has also spent approximately $20,000 on beaver flights, dam removal and beaver trapping in the watershed.

Finally, the LSSA has provided a large in-kind volunteer effort. This in-kind donation has amounted to over $60,000 for equipment use and rental, volunteer labor, meals, travel and other expenses. The LSSA anticipates contributing up to $50,000 to this project (Phase V Lower Reach 4) in the form of payments and in-kind donations.

Per MS 97A.056, Subd. 24, Any state agency or organization requesting a direct appropriation from the OHF must inform the LSOHC at the time of the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose:

This request is not supplanting nor a substitution for any previous funding.

Describe the source and amount of non-OHF money spent for this work in the past:

Appropriation Year	Source	Amount
Fy 2012	Great Lakes Commission (GLRI funded)-Hawk Hill Road Project	$293,000
Fy 2012	Clean Water Fund-Copperhead Road Project	$212,000
Fy 2015	LCMR-Buckthorn Control/Removal	$54,000
Fy 2015	MNDNR-Buckthorn Removal	$12,800
Fy 2017	Clean Water Fund-Buckthorn Removal	$144,000
Fy 2018	Federal Coastal Grant - LSSA PH III Entire Reach 4 Project; Design and Permitting	$50,000

How will you sustain and/or maintain this work after the Outdoor Heritage Funds are expended:

A critical component of this project is to insure beaver do not re-impact areas that have been rehabilitated. To insure that the Lessard Sams Outdoor Heritage Council projects are maintained after project completion, annual helicopter flights are conducted to insure beavers do not re-colonize the project areas. These beaver flights are conducted in late autumn by the DNR as they have been previously for over 15 years. If dams or beaver activity is noted in the annual flight, the DNR will contract with Federal trappers to remove the beavers and notch their dams. The estimated cost of the flight, beaver removal and dam notching throughout the entire Knife River watershed is approximately $15,000. If the DNR loses funding for this project, the TMDL implementation plan has budgeted $35,000 annually for this task. Included in this budget is beaver flights, trapping, dam notching and supplemental tree planting.

Explain the things you will do in the future to maintain project outcomes:

Year	Source of Funds	Step 1	Step 2	Step 3
July 1, 2020 - June 30, 2021	MNDNR	Beaver Flights	Beaver Trapping	N/A
July 1, 2020 - June 30, 2021	LSSA	Beaver Flights	Beaver Trapping	Tree Planting
July 1, 2021 - June 30, 2022	MNDNR	Beaver Flights	Beaver Trapping	N/A
July 1, 2021 - June 30, 2022	LSSA	Beaver Flights	Beaver Trapping	Tree Planting
July 1, 2022 - June 30, 2023	MNDNR	Beaver Flights	Beaver Trapping	N/A
July 1, 2022 - June 30, 2023	LSSA	Beaver Flights	Beaver Trapping	Tree Planting
July 1, 2023 - June 30, 2024	MNDNR	Beaver Flights	Beaver Trapping	N/A
July 1, 2023 - June 30, 2024	LSSA	Beaver Flights	Beaver Trapping	Tree Planting

Activity Details:

If funded, this program will meet all applicable criteria set forth in MS 97A.056 - **Yes**

Will there be planting of corn or any crop on OHF land purchased or restored in this program - **No**

Will restoration and enhancement work follow best management practices including MS 84.973 Pollinator Habitat Program - **Yes**

Is the activity on permanently protected land per 97A.056, subd 13(f), tribal lands, and/or public waters per MS 103G.005, Subd. 15 - **Yes (Permanently Protected Conservation EasementsPublic Waters)**

Accomplishment Timeline:

Activity	Approximate Date Completed
Design, Build, Restoration and Construction Activities	June 15, 2020 - June 30, 2023
Tree/Pollinator/Riparian Zone Planting	July 1, 2020 - June 30, 2023
As-built Survey as required by MNDNR	July 1, 2021 - June 30, 2024

Date of Final Report Submission: 11/1/2025

Federal Funding:

Do you anticipate federal funds as a match for this program - **No**

Outcomes:

Programs in the northern forest region:

- Healthy populations of endangered, threatened, and special concern species as well as more common species *By funding this project, anadromous trout (steelhead, coaster brook trout and brown trout) and resident stream trout (brook trout) populations should increase. This project will also provide habitat to invertebrates, amphibians, reptiles, birds and mammals. This project also will replant the riparian zone of the river with native, old growth tree species and various pollinator shrubs. These multiple specie plantings will establish a varied and lush riparian canopy benefitting the entire watershed and neighboring areas.*

Budget Spreadsheet

Budget reallocations up to 10% do not require an amendment to the Accomplishment Plan

How will this program accommodate the reduced appropriation recoomendation from the original proposed requested amount

We will perform rehabilitation efforts on fewer linear feet of stream than originally proposed under the original Accomplishment Plan.

Total Amount of Request: $ 817000

Budget and Cash Leverage

Budget Name	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Personnel	$91,000	$0		$91,000
Contracts	$665,000	$1,200	Privte Source: LSSA	$666,200
Fee Acquisition w/ PILT	$0	$0		$0
Fee Acquisition w/o PILT	$0	$0		$0
Easement Acquisition	$0	$0		$0
Easement Stewardship	$0	$0		$0
Travel	$0	$3,200	Private Source: ZG and LSSA	$3,200
Professional Services	$0	$4,500	Private Source: ZG and LSSA	$4,500
Direct Support Services	$0	$0		$0
DNR Land Acquisition Costs	$0	$0		$0
Capital Equipment	$0	$0		$0
Other Equipment/Tools	$1,000	$4,000	Private Source: LSSA	$5,000
Supplies/Materials	$60,000	$0		$60,000
DNR IDP	$0	$65,000	MN DNR	$65,000
Total	$817,000	$77,900		$894,900

Personnel

Position	FTE	Over # of years	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Fiscal Lead	0.60	4.00	$43,600	$0		$43,600
Project Management	0.60	4.00	$47,400	$0		$47,400
Total	1.20	8.00	$91,000	$0		$91,000

Amount of Request:	$817,000
Amount of Leverage:	$77,900
Leverage as a percent of the Request:	9.53%
DSS + Personnel:	$91,000
As a % of the total request:	11.14%

What is included in the contacts line?

Contracts includes cost of subcontractor (once awarded) to complete the project as outlined in the RFP (to be determined) and also for use of CCM, NRRI (or other similar groups) to perform miscellaneous field work on the project. This work will be outside the RFP parameters.

Describe and explain leverage source and confirmation of funds:

LSSA's charitable gaming, general fund and in-kind donations: allocated by LSSA Board approval. ZG's in-kind donations. ZG funds allocated by ZG Board approval. Other KR leverage estimated at $ 100,000: MNDNR weir operation, ongoing creel census, field time/easement work. This project will be 100% shovel ready upon approval.

Output Tables

Table 1a. Acres by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	0	0
Protect in Fee W/O State PILT Liability	0	0	0	0	0
Protect in Easement	0	0	0	0	0
Enhance	0	0	300	0	300
Total	0	0	300	0	300

Table 2. Total Funding by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	$0	$0	$0	$0	$0
Protect in Fee with State PILT Liability	$0	$0	$0	$0	$0
Protect in Fee W/O State PILT Liability	$0	$0	$0	$0	$0
Protect in Easement	$0	$0	$0	$0	$0
Enhance	$0	$0	$817,000	$0	$817,000
Total	$0	$0	$817,000	$0	$817,000

Table 3. Acres within each Ecological Section

Type	Metro Urban	Forest Prairie	SE Forest	Prairie	N Forest	Total
Restore	0	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	0	0	0
Protect in Fee W/O State PILT Liability	0	0	0	0	0	0
Protect in Easement	0	0	0	0	0	0
Enhance	0	0	0	0	300	300
Total	0	0	0	0	300	300

Table 4. Total Funding within each Ecological Section

Type	Metro Urban	Forest Prairie	SE Forest	Prairie	N Forest	Total
Restore	$0	$0	$0	$0	$0	$0
Protect in Fee with State PILT Liability	$0	$0	$0	$0	$0	$0
Protect in Fee W/O State PILT Liability	$0	$0	$0	$0	$0	$0
Protect in Easement	$0	$0	$0	$0	$0	$0
Enhance	$0	$0	$0	$0	$817,000	$817,000
Total	$0	$0	$0	$0	$817,000	$817,000

Table 5. Average Cost per Acre by Resource Type

Type	Wetlands	Prairies	Forest	Habitats
Restore	$0	$0	$0	$0
Protect in Fee with State PILT Liability	$0	$0	$0	$0
Protect in Fee W/O State PILT Liability	$0	$0	$0	$0
Protect in Easement	$0	$0	$0	$0
Enhance	$0	$0	$2723	$0

Table 6. Average Cost per Acre by Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest
Restore	$0	$0	$0	$0	$0
Protect in Fee with State PILT Liability	$0	$0	$0	$0	$0
Protect in Fee W/O State PILT Liability	$0	$0	$0	$0	$0
Protect in Easement	$0	$0	$0	$0	$0
Enhance	$0	$0	$0	$0	$2723

Automatic system calculation / not entered by managers

Target Lake/Stream/River Feet or Miles

Approximately 16 linear miles of stream.

Parcel List

For restoration and enhancement programs ONLY: Managers may add, delete, and substitute projects on this parcel list based upon need, readiness, cost, opportunity, and/or urgency so long as the substitute parcel/project forwards the constitutional objectives of this program in the Project Scope table of this accomplishment plan. The final accomplishment plan report will include the final parcel list.

Section 1 - Restore / Enhance Parcel List

Lake

Name	TRDS	Acres	Est Cost	Existing Protection?
Knife River	05211204	0	$0	Yes
Knife River	05211208	0	$0	Yes
Knife River	05211217	0	$0	Yes
Knife River	05211218	0	$0	Yes
Knife River	05211219	0	$0	Yes
Knife River	05211231	0	$0	Yes
Knife River	05311220	0	$0	Yes
Knife River	05311229	0	$0	Yes
Knife River	05311232	0	$0	Yes
Knife River	05311233	0	$0	Yes

St. Louis

Name	TRDS	Acres	Est Cost	Existing Protection?
Knife River	05212224	0	$0	Yes
Knife River	05212225	0	$0	Yes
Knife River	05212236	0	$0	Yes

Section 2 - Protect Parcel List

No parcels with an activity type protect.

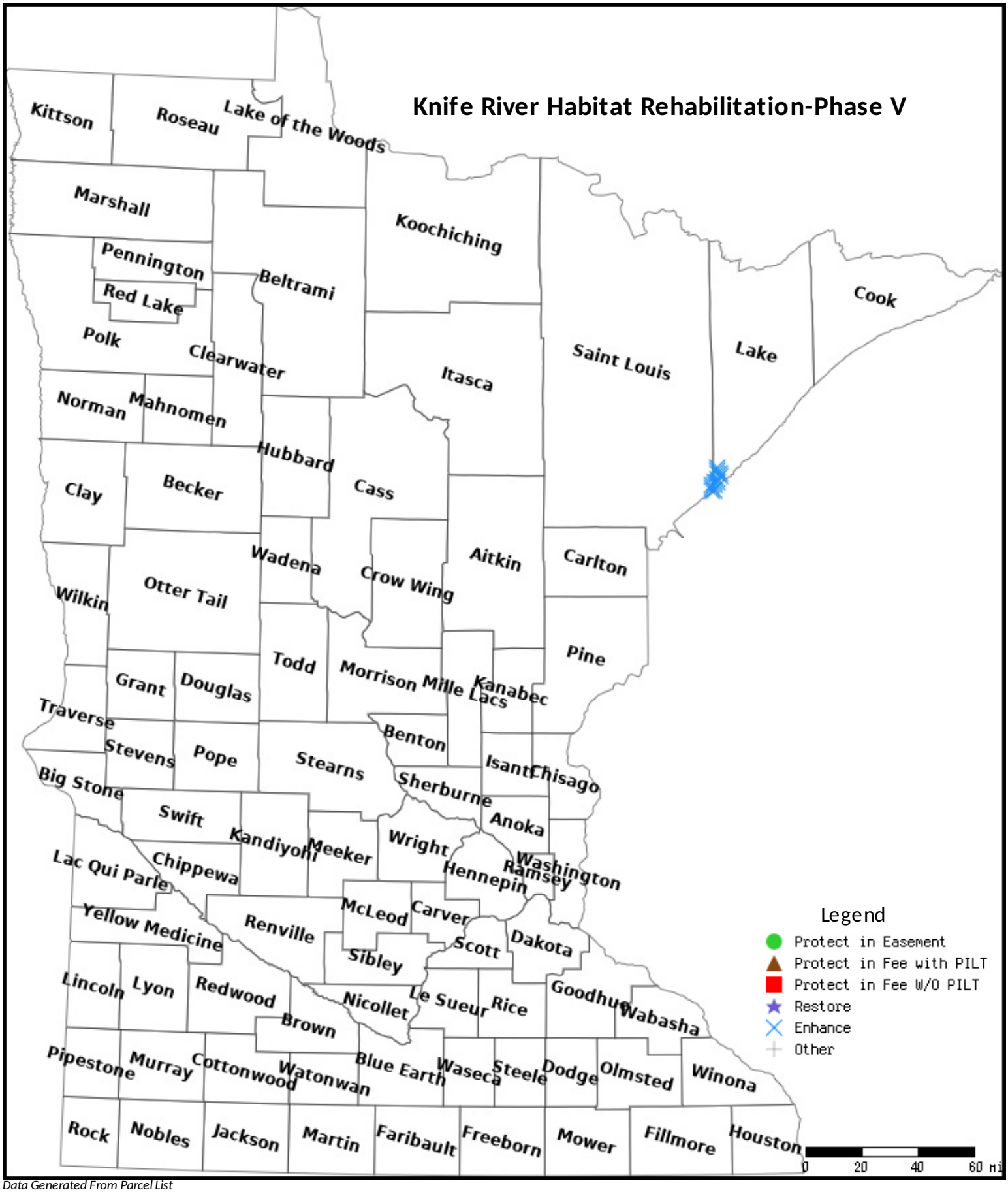
Section 2a - Protect Parcel with Bldgs

No parcels with an activity type protect and has buildings.

Section 3 - Other Parcel Activity

No parcels with an other activity type.

Parcel Map



Data Generated From Parcel List