Lessard-Sams Outdoor Heritage Council

Shell Rock River Watershed Habitat Restoration Program - Phase IX

Laws of Minnesota 2020 Accomplishment Plan

General Information

Date: 08/08/2024

Project Title: Shell Rock River Watershed Habitat Restoration Program - Phase IX

Funds Recommended: $1,918,000

Legislative Citation: ML 2020, Ch. 104, Art. 1, Sec. 2, subd 5(m)

Appropriation Language: $1,918,000 the second year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire lands in fee and to restore and enhance aquatic habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

Manager Information

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Location Information

County Location(s): Freeborn.

Eco regions in which work will take place:

- Prairie

Activity types:

- Protect in Fee
- Restore
- Enhance

Priority resources addressed by activity:

- Wetlands
- Habitat

Narrative

Abstract

The Shell Rock River Watershed District (SRRWD) Phase IX Habitat Restoration Program will restore, enhance, and protect 588 acres of essential prairie upland, wetland, and streambank habitat across the watershed. As a result of strategic projects, key biological functioning parcels will be permanently protected, streambank habitat will be protected, vegetation and feeding sources will be restored for migratory fowl habitat and wetlands will be restored from row crop agriculture. Projects in Phase IX are critical for the benefit of fish, waterfowl, and wildlife populations, reversing the trend of wetland loss and habitat degradation.

Design and Scope of Work

Program Goals:
In 2014, the SRRWD created a phased approach to restore, protect, and enhance degraded habitat conditions by implementing projects on a lake-shed basis. The Watershed Habitat Restoration Program is designed to accomplish the following objectives:

- Create wetlands to improve waterfowl breeding and migratory success
- Remove rough fish species and restore desirable fish, waterfowl and wildlife populations aiming at critical species of concern
- Increase fish habitat, spawning areas and waterfowl nesting areas
- Restore streambanks and increase wildlife habitat and its natural prairie
- Increase and improve the use of restored public natural resources
- Enhance native aquatic rooted vegetation and protect the watershed from invasive species

The program will also interconnect and reestablish important flyway habitats within Minnesota. Once completed, the program will establish waterfowl and fish populations, increase habitat for wetland dependent wildlife, and create the wildlife mecca that was recorded in the late 1800s.

Specifically, Phase IX will contribute to the District's goals by:

- Acquire 133 acres of key targeted acquisitions to protect land along the Shell Rock River, establish upland prairie, and improve nesting habitat and waterfowl food sources
- Reestablish 50 acres of wetland basins from row crop agriculture, reversing wetland loss and habitat degradation
- Enhance 300 acres of vegetation in Panicum Prairie, an important flyway that is critical to nesting waterfowl, upland game, and other wading bird species
- Transfer 85 acres to the DNR for public benefit
- Expand Fountain Lake In-Lake Habitat features, building on a Phase 8 project by creating 20 additional acres of fish habitat

This proposal uses a programmatic approach to achieve protection, restoration, and enhancement of lakes, wetlands, streams and native prairie landscapes. The program includes projects that are prioritized on the

significance of the benefits to aquatic habitat, urgency of the work, availability of leveraged funds, location of projects and agreements with relevant planning documents. The SRRWD has a proven track record with the LSOHC and implementing projects that protect, restore and enhance natural resources. The SRRWD continues to receive strong support for these projects from landowners, local governments and sporting organizations. Finally, this program will preserve an outdoor legacy for Minnesotans to use and enjoy for generations.

Background:
The SRRWD covers 246 square miles inside Freeborn County and includes a complex system of wetlands, streams, and shallow lakes that drain into the Shell Rock River. Managing habitat for this complex system is imperative to the SRRWD as well as understanding its role for providing critical habitat for fish, waterfowl and wildlife. Habitat degradation of wetlands, streams, and shallow lakes is an issue of statewide importance that requires accelerated investment in projects to reverse this degradation. Protection and restoration of this critical habitat is the highest priority of the SRRWD and is directly affected by invasive aquatic vegetation, land use changes, increased water demands, populations of invasive fish species such as common carp, and artificial drainage. Degradation in habitat is influencing available food sources for game fish and duck populations.

How does the plan address habitats that have significant value for wildlife species of greatest conservation need, and/or threatened or endangered species, and list targeted species?

The SRRWD understands that when critical habitats are lost due to land use changes and other factors, restoring the habitat is imperative to the protection of species and their ecological processes. Important species are disappearing at an alarming rate and the SRRWD has the opportunity to protect specific targeted habitats and the species that call it home.

Using the Minnesota Department of Natural Resources tool for species in greatest conservation need by habitat, the SRRWD has identified species of importance for the oak savanna landscape. Those species include the Marsh Wren and Common Moorhen for birds, mussels such as Sheepnose and Round Pigtoe, and amphibians including the Blanding's turtle.

One of the fastest declining populations in Minnesota has been the loss of Minnesota's native mussels. The freshwater mussel is threatened by a multitude of sources including dams and stream channelization, wetland drainage, bank erosion, invasive mussels and water pollution. The District is focused on improving habitat and water quality conditions, as well as providing habitat with in-water features that will improve the quality of habitat for threatened Round Pigtoe, and endangered Sheepnose mussels.

The Common Moorhen is listed as special concern in the Oak Savanna habitat and can be attributed to the loss of well-vegetated ponds and wetlands. With projects proposed by Phase IX, wetland creation and vegetation enhancement of 350 acres can provide restored habitat for both the Common Moorhen and Marsh Wren. Blanding's turtles are listed as being a threatened species and creating streambank restorations that include habitats such as turtle hibernaculums and restoring wetland with marshy areas will provide habitat for this threatened species.

Describe how the plan uses science-based targeting that leverages or expands corridors and complexes, reduces fragmentation or protects areas identified in the MN County Biological Survey:

The SRRWD utilizes precision conservation modeling with monitoring to identify Property Management Zones (PMZs) on a sub-watershed basis. The PMZs are prioritized, evaluated conservation measures and project locations chosen to mitigate specific areas contributing to degradation of habitat which reduces populations of aquatic vegetation, fish, waterfowl and wildlife within the lake-shed.

Historically the Shell Rock River Watershed is a shallow lake system with diverse populations of fish, waterfowl and wildlife. With degraded habitat becoming a concern, and more areas listed as below biodiversity significance in the MN County Biological Survey (MCBS) for Freeborn County, the District has ongoing efforts with identifying key PMZs to implement projects that expand habitat corridors and protects areas identified by the MCBS.

One of the land acquisitions is contained within areas identified on the MCBS, permanently projecting the valued significance of the land. The 300 acre wetland vegetation restoration borders significant areas. Projects such as these are important to expanding corridors and reaching the targeted 9 square mile parcels. Implementing site specific habitat restorations projects, in line with areas identified in the MCBS, are progressively improving populations of native fish, waterfowl and wildlife habitat to once again create a wildlife mecca.

Which two sections of the Minnesota Statewide Conservation and Preservation Plan are most applicable to this project?

- H2 Protect critical shoreland of streams and lakes
- H5 Restore land, wetlands and wetland-associated watersheds

Which two other plans are addressed in this program?

- Long Range Plan for Fisheries Management
- North American Waterfowl Management Plan

Which LSOHC section priorities are addressed in this program?

Prairie

- Protect, enhance, or restore existing wetland/upland complexes, or convert agricultural lands to new wetland/upland habitat complexes

Outcomes

Programs in prairie region:

- Protected, restored, and enhanced habitat for migratory and unique Minnesota species ~ *will be measured by the increase of use days for migrating waterfowl and improved habitat acres for unique species. The protected, restored and enhanced shallow lakes, wetlands, and streambanks will provide habitat to wildlife and support healthy natural resource conditions for long term benefits. The projects will offer an oasis for migratory waterfowl by re-established and connecting MCBS corridors, and flyway habitats. Improved and*

permanently protected areas will provide a lasting habitat for Minnesota's unique species and provide improved access to public natural resources.

Does this program include leveraged funding?

Yes

Explain the leverage:

The Habitat Restoration Program, Phase IX, builds and expands upon previous LSOHC funding including the Wedge Creek, White Lake and Fountain Lake Fish Barriers (2009-10); Shell Rock River Headwaters Project (2011-12); Albert Lea Lake Dam and Fish Barrier (2013-14); Goose Creek Fish Barrier (CPL Grant) (2013-14); Shell Rock River Headwaters Restoration, Phase II (CPL Grant) (2014-15); Shell Rock River Watershed Habitat Restoration Program, Phase IV (2015-16); the Habitat Restoration Program, Phase V (2016-17); the Habitat Restoration Program, Phase VI (2017-18) and the Habitat Restoration Program, Phase VII (2018-19).

Per MS 97A.056, Subd. 24, Please explain 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.

Not applicable to the SRRWD at this time.

Non-OHF Appropriations

Year	Source	Amount
2012	Local Tax Levy	$180,000
2013	Local Tax Levy	$230,000
2014	Local Tax Levy	$804,750
2015	Local Tax Levy	$200,000
2016	Local Tax Levy	$750,000
2017	Local Tax Levy	$500,000
2018	Local Tax Levy	$400,000

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

The Shell Rock River Watershed District is authorized by Minnesota state statute 103D and operates under a series of 10 year Water Management Plans that are approved by the Minnesota Board of Soil and Water Resources (BWSR). The District recently updated its second generation waterplan and is entering the One Watershed One Plan (1W1P) Comprehensive Management Plan process. This second generation plan and 1W1P includes a top to bottom comprehensive list detailing natural resource restoration, management, enhancement and protection strategies.

The SRRWD relies on multiple funding sources including a citizen-driven local option sales tax, local levy, and multiple public and private funding sources including previously LSOHC phased project to assist in the District's restoration efforts. The District has an aggressive monitoring protocol that generates yearly data used for extensive reporting. The habitat efforts that accrue from the Phase IX Restoration Program will be easily incorporated into this existing results-driven reporting framework. This reporting can be used to generate public interest and education of a watershed based restoration approach. The District has commitment and funding sources necessary to maintain existing and future natural resource enhancement projects.

Actions to Maintain Project Outcomes

Year	Source of Funds	Step 1	Step 2	Step 3

2023	Sales Tax and LSOHC	Construction and Erosion Inspections	Erosion Control and Maintenance Inspections and Implementations	Maintenance Inspections and Implementations
2024	Salex Tax and LSOHC	Construction and Erosion Control Inspections	Erosion Control and Maintenance Inspections and Implementations	Maintenance Inspections and Implementations
2025	Sales Tax	Maintenance Inspections and Implementations	-	-

Activity Details

Requirements

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

Will county board or other local government approval be formally sought prior to acquisition, per 97A.056 subd 13(j)?**
Yes

Is the land you plan to acquire (fee title) free of any other permanent protection?
Yes

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

Is the restoration and enhancement activity on permanently protected land per 97A.056, Subd 13(f), tribal lands, and/or public waters per MS 103G.005, Subd. 15 or on lands to be acquired in this program?
Yes

Where does the activity take place?

- WMA
- Public Waters

Land Use

Will there be planting of any crop on OHF land purchased or restored in this program, either by the proposer or the end owner of the property, outside of the initial restoration of the land?
No

Is this land currently open for hunting and fishing?
No

Will the land be open for hunting and fishing after completion?
Yes

Describe any variation from the State of Minnesota regulations:
All projects will be open to public fishing. One of the projects will be closed to firearm use due to being within city limits.

Who will eventually own the fee title land?

- State of MN

Land acquired in fee will be designated as a:

- WMA

What is the anticipated number of closed acquisitions (range is fine) you plan to accomplish with this appropriation?
In the Phase IX Habitat Restoration Program there are two proposed acquisitions.

Are there currently trails or roads on any of the proposed acquisitions?
Yes

Describe the types of trails or roads and the allowable uses:
There is currently a county road that transects the Glenville property. This will not be included with the acquisition and the property limits will be the road right of way.

Will the trails or roads remain and uses continue to be allowed after OHF acquisition?
Yes

How will maintenance and monitoring be accomplished?
The road will still be in use by the general public, it will just not be included in the acquisition.

Will new trails or roads be developed or improved as a result of the OHF acquisition?
No

Will the acquired parcels be restored or enhanced within this appropriation?
Yes

Yes, one of the parcels will be restored with this appropriation. The other parcel will be for permanent protection surrounding a river.

Timeline

Activity Name	Estimated Completion Date
Finilaze project planning, design, permitting work and acquisitions	December 2020
Begin projects during the 2020 construction season following completion of design, permits, and contracting	2021 Construction Season to 2023
Complete all restoration and habitat improvements projects and finalize acqusitions	End of 2023 Construction Season
Vegetation enhancement on restoration projects	June 2023
Maintenance and monitoring of all restoration and habitat improvement projects.	Ongoing

Date of Final Report Submission: 06/30/2025

Availability of Appropriation: Subd. 7. Availability of Appropriation

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise

provided, the amounts in this section are available until June 30, 2023. For acquisition of real property, the amounts in this section are available until June 30, 2024, if a binding agreement with a landowner or purchase agreement is entered into by June 30, 2023, and closed no later than June 30, 2024. Funds for restoration or enhancement are available until June 30, 2025, or five years after acquisition, whichever is later, in order to complete initial restoration or enhancement work. If a project receives at least 15 percent of its funding from federal funds, the time of the appropriation may be extended to equal the availability of federal funding to a maximum of six years if the federal funding was confirmed and included in the original approved draft accomplishment plan. Funds appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public-use facilities must have a minimal impact on habitat in acquired lands.

Budget

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

Totals

Item	Funding Request	Leverage	Leverage Source	Total
Personnel	$45,000	$25,000	Local Option Sales Tax, Local Option Sales Tax	$70,000
Contracts	$944,000	-	-	$944,000
Fee Acquisition w/ PILT	$690,800	-	-	$690,800
Fee Acquisition w/o PILT	-	-	-	-
Easement Acquisition	-	-	-	-
Easement Stewardship	-	-	-	-
Travel	-	-	-	-
Professional Services	$223,200	$75,000	Local Option Sales Tax	$298,200
Direct Support Services	-	-	-	-
DNR Land Acquisition Costs	$10,000	-	-	$10,000
Capital Equipment	-	-	-	-
Other Equipment/Tools	-	-	-	-
Supplies/Materials	-	-	-	-
DNR IDP	$5,000	-	-	$5,000
Grand Total	**$1,918,000**	**$100,000**	**-**	**$2,018,000**

Personnel

Position	Annual FTE	Years Working	Funding Request	Leverage	Leverage Source	Total
Program Manager	0.43	1.0	$25,000	$10,000	Local Option Sales Tax	$35,000
Program Assistant	0.43	1.0	$20,000	$15,000	Local Option Sales Tax	$35,000

Amount of Request: $1,918,000
Amount of Leverage: $100,000
Leverage as a percent of the Request: 5.21%
DSS + Personnel: $45,000
As a % of the total request: 2.35%
Easement Stewardship: -
As a % of the Easement Acquisition: -

How will this program accommodate the reduced appropriation recommendation from the original proposed requested amount?
As a result of the reduced allocation, three projects will not be completed. Of the remaining four key projects, the dollars allocated to the enhancement efforts were reduced to match the LSOHC appropriation and in kind funding dollars.

Describe and explain leverage source and confirmation of funds:
The SRRWD is an agency that has a secured local option sales tax in place that will be used to provide the leveraged funds. The leveraged funds are allocated for professional services and staff.

Contracts

What is included in the contracts line?
All the work in the contract line is centered on enhancement costs, minus fifteen percent professional services and twenty percent supplies.

Federal Funds

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

Output Tables

Acres by Resource Type (Table 1)

Type	Wetland	Prairie	Forest	Habitat	Total Acres
Restore	50	0	0	20	70
Protect in Fee with State PILT Liability	112	0	0	106	218
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	300	300
Total	**162**	**0**	**0**	**426**	**588**

Total Requested Funding by Resource Type (Table 2)

Type	Wetland	Prairie	Forest	Habitat	Total Funding
Restore	$529,100	-	-	-	$529,100
Protect in Fee with State PILT Liability	$636,600	-	-	$107,100	$743,700
Protect in Fee w/o State PILT Liability	-	-	-	-	-
Protect in Easement	-	-	-	-	-
Enhance	-	-	-	$645,200	$645,200
Total	**$1,165,700**	**-**	**-**	**$752,300**	**$1,918,000**

Acres within each Ecological Section (Table 3)

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	N. Forest	Total Acres
Restore	0	0	0	70	0	70
Protect in Fee with State PILT Liability	0	0	0	218	0	218
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	300	0	300
Total	**0**	**0**	**0**	**588**	**0**	**588**

Total Requested Funding within each Ecological Section (Table 4)

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	N. Forest	Total Funding
Restore	-	-	-	$529,100	-	$529,100
Protect in Fee with State PILT Liability	-	-	-	$743,700	-	$743,700
Protect in Fee w/o State PILT Liability	-	-	-	-	-	-
Protect in Easement	-	-	-	-	-	-
Enhance	-	-	-	$645,200	-	$645,200
Total	**-**	**-**	**-**	**$1,918,000**	**-**	**$1,918,000**

Average Cost per Acre by Resource Type (Table 5)

Type	Wetland	Prairie	Forest	Habitat
Restore	$10,582	-	-	$0
Protect in Fee with State PILT Liability	$5,683	-	-	$1,010
Protect in Fee w/o State PILT Liability	-	-	-	-
Protect in Easement	-	-	-	-
Enhance	-	-	-	$2,150

Average Cost per Acre by Ecological Section (Table 6)

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	N. Forest
Restore	-	-	-	$7,558	-
Protect in Fee with State PILT Liability	-	-	-	$3,411	-

Protect in Fee w/o State PILT Liability	-	-	-	-	-
Protect in Easement	-	-	-	-	-
Enhance	-	-	-	$2,150	-

Target Lake/Stream/River Feet or Miles

20500 Feet

Parcels

Parcel Information

Sign-up Criteria?
No

Explain the process used to identify, prioritize, and select the parcels on your list:
The SRRWD utilizes precision conservation modeling with monitoring to identify Property Management Zones (PMZs) on a sub-watershed basis. The PMZs are prioritized, evaluated conservation measures and project locations chosen to mitigate specific areas contributing to degradation of habitat which reduces populations of aquatic vegetation, fish, waterfowl and wildlife within the lake-shed.

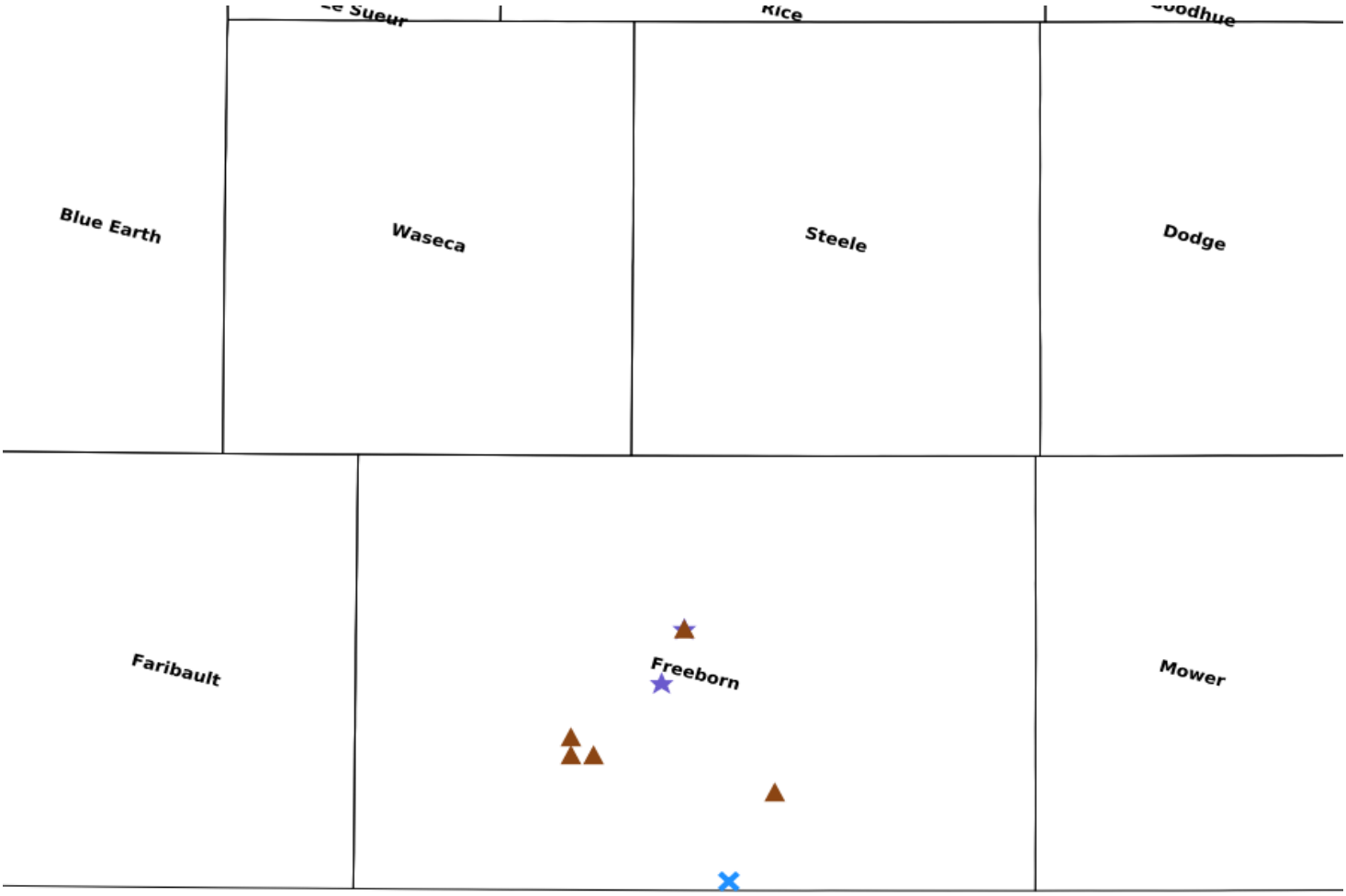
Restore / Enhance Parcels

Name	County	TRDS	Acres	Est Cost	Existing Protection	Description
Fountain Lake In-Lake Habitat	Freeborn	10221205	20	$300,000	Yes	Rock Reefs and Boulder Clusters for Fish Habitat
Panicum Prairie Enhancement	Freeborn	10121235	300	$506,300	Yes	Vegetation enhancement of 300 acres in the Panicum Prairie WPA
Bancroft Wetland Restoration	Freeborn	10321221	50	$394,300	Yes	Boarders Bancroft Creek

Fee Parcels

Name	County	TRDS	Acres	Est Cost	Existing Protection
Church Lake Property	Freeborn	10222226	80	$1,000	Yes
Church Lake Property	Freeborn	10222222	2	$5,500	Yes
Chruch Lake Property	Freeborn	10222227	3	$1,000	Yes
Bancroft Property	Freeborn	10321221	112	$800,100	No
SRR Glenville Property	Freeborn	10120206	21	$161,400	No

Parcel Map



0 3 6 9 mi

- Protect in Easement
- Protect in Fee with PILT
- Protect in Fee W/O PILT
- Restore
- Enhance
- Other