



**Lessard-Sams Outdoor Heritage Council
The State of Minnesota**

State Office Building, Room G95 100 Dr. Rev. Martin Luther King Jr. Blvd. Saint Paul, Minnesota 55155

May 17, 2016

Eric Christensen
County Administrator
Kittson County
410 5th Street SE, Ste. 208
Hallock, MN 56728

Re: County letter pertaining to "Use of Lessard-Sams Outdoor Heritage Funds"

Dear Mr. Christensen:

Thank you for your letter of April 21, 2016, expressing concern regarding "Use of Lessard-Sams Outdoor Heritage Funds". Your input is important to the council and we appreciate your letter.

To gather additional documentation regarding the process and chronology followed in the acquisition and transfer of the two Kittson County tracts, Lessard-Sams Outdoor Heritage Council staff forwarded a request to The Nature Conservancy and received the attached memo. Additionally, attached are two letters from the US Fish and Wildlife Service previously written to Kittson County regarding the land donation and revenue sharing payments (in lieu of taxes). This information will be processed by staff and council members as we also digest your comments and concerns.

Please rest assured that as the council moves forward with the review of proposals for future recommendations for appropriation, I have no doubt that members will give serious consideration to your comments as we seek to ensure the greatest benefits to Minnesota counties, citizens and habitat.

Respectfully,

A handwritten signature in black ink that reads "Bob Anderson".

Bob Anderson
Chair, Lessard-Sams Outdoor Heritage Council

C: Governor Mark Dayton
Representative Dan Fabian
Members of the Lessard-Sams Outdoor Heritage Council

Enclosures: The Nature Conservancy memo to the LSOHC dated 5-6-2016
Kittson County Commission 10-2-2014 (from USFWS)
Mear-Rev Sharing 2-18-2015 (from USFWS)

Memo

To: Mark Johnson, Director – Lessard-Sams Outdoor Heritage Council
From: Rich Johnson, The Nature Conservancy
cc: Council Members of the LSOHC
Date: May 6, 2016
Re: Northern Tallgrass Prairie National Wildlife Refuge Project

This memo is to provide additional information regarding the issues raised in the recent letter sent to the Lessard-Sams Outdoor Heritage Council by the Kittson County Administrator. It will also provide answers to the subsequent questions from Council Member David Hartwell. First, we would like to provide a bit of background information on the parcels of land referred to in the letter:

The County's letter refers to two Kittson County tracts totaling 424 acres. These tracts were acquired by The Nature Conservancy in 2013 with funding from the ML 2010 appropriation for the Northern Tallgrass Prairie National Wildlife Refuge (NTP NWR) Land Acquisition program and subsequently donated to the U.S. Fish & Wildlife Service (FWS) in 2015 as additions to the Refuge. The purpose of the NTP NWR Acquisition program is to acquire land and permanent conservation easements on behalf of the Refuge. Both parcels are located in the Aspen Parkland core identified within the Minnesota Prairie Conservation Plan as one of the best functioning prairie landscapes in the state. The lands acquired are primarily native grassland with scattered aspens and wetlands.

We thought it might be useful to provide a timeline of the acquisition and transfer process and this is attached to the memo. The timeline includes information on the original request for funding, the initial acquisition and donation of these lands, contact points with the County during the acquisition and transfer process, and the most recent communications with the County.

The following information provides responses to Council Member Hartwell's questions as a result of receiving the letter:

- 1) *What does The Nature Conservancy say about the claim that they told us they would seek local government approval but apparently did not?*

The Request for Funding for the ML 2010 appropriation was prepared and submitted by FWS in October 2009. In a December 17, 2009 letter, FWS requested that program management responsibility be transferred to the Conservancy. This transfer was approved by the Council via the Accomplishment Plan Amendment. The Conservancy was subsequently involved in preparing the Accomplishment Plan and Grant Agreement. These documents do not refer to local government approval.

The original FWS application is marked “Yes” on the line for local government approval with the following explanation:

“Local MN DNR and USDA offices will be contacted regarding potential fee title/easement purchases to determine if any ongoing programs will affect acquisition. Acquisition goals have also gone through a public review process which occurred during the development of the Final Environmental Impact Statement.”

This question has been marked “No” in subsequent proposals submitted by the Conservancy.

2) Did this transaction result in a one-time payment to the county in lieu of taxes? If so, how much compared to the taxes that were paid. If not, Why?

Properties placed into the National Wildlife Refuge System are eligible for annual payments to the County under the Federal Refuge Revenue Sharing Program (RRS). Base funding for the RRS is provided by a dedicated fund authorized in the Refuge Revenue Sharing Act. Congress has the authority to appropriate additional funds to increase these payments. The amount paid to individual counties will vary depending on the amount appropriated. Kittson County is scheduled to receive their first RRS payment for these properties in May 2016 in the amount of \$562. The property taxes due for the two parcels last year was \$1,636.

This differs from the process for properties placed into the Waterfowl Production Area system, which includes a one-time payment. Those payments are authorized by the Migratory Bird Conservation Act. Congress has not provided similar authority for a one-time payment for additions to the National Wildlife Refuge System.

If you would like additional information on the NTP NWR project, please feel free to contact Rich Johnson, Project Manager for the project at rich_johnson@tnc.org or (612) 331-0790.

Attachment - Timeline for NTP NWR Acquisition in Kittson County

2009/10/30 – US Fish & Wildlife (FWS) submits a proposal for ML 2010 funding. Alice Hanley, NTP NWR Refuge Manager, was the program manager.

2009/12/22 – The Nature Conservancy (TNC) approved to assume program management responsibility.

2013/3/8 – TNC records the purchase of the first parcel, located in McKinley Township.

2013/5/16 – TNC records the purchase of the second property, in Pelan Township.

2014/10/2 - FWS sends a letter to the Kittson County Commissioners, care of the Kittson County Administrator, notifying the County of their intention to accept the McKinley and Pelan Twp. properties from TNC.

2015/1/2 – FWS records their ownership of the McKinley Twp. property.

2015/2/18 – FWS sends a letter to the Kittson County Taxpayer Services Office with information on the Refuge Revenue Sharing (RRS) payments the county will receive in 2016 for the transferred properties.

2015/9/18 – FWS records ownership of the Pelan Twp. property.

2016/1/25 – TNC receives a letter from Kittson County Administrator requesting additional information on the McKinley and Pelan Twp. transfers and a meeting with the County Commissioners.

2016/1/29 – TNC sends a letter responding to these questions and offering to meet with the County Commission.

2016/2/16 – Neal Feeken, TNC's Grassland Conservation Program Director, and Craig Mowry, FWS's manager for that region, meet with the County Commissioners and answer questions.

2016/4/21 – The Kittson County Administrator sends a letter to legislators and Council members with additional comments on these transfers.



IN REPLY REFER TO:

United States Department of the Interior

FISH AND WILDLIFE SERVICE

Agassiz National Wildlife Refuge
22996 290th St. NE
Middle River, Minnesota 56737
218-449-4115



October 2, 2014

Kittson County Administrator
410 5th Street South
Hallock, MN 56728

Dear Kittson County Board of Commissioners:

In an effort to build on the good working relationship that the Service has with county governments throughout the State, this letter is being sent as a courtesy to inform you of a recent land transaction.

The U.S. Fish and Wildlife Service recently secured an Agreement for the Donation of Lands from The Nature Conservancy. This is a fee acquisition to the Fish & Wildlife Service and covers 205 acres in section 14 of McKinley township and 224 acres in section 35 of Pelan township.

The land will be managed as part of the Service's Northern Tallgrass Prairie National Wildlife Refuge. As these lands have been idle for many years and not in agricultural production, this area will add to the local economy by being open to public hunting, nature observation and photography.

As a part of the National Wildlife Refuge System, the property will generate an annual Refuge Revenue Sharing payment to Kittson County.

If you have any questions, please feel free to contact me at 218-449-4115.

Sincerely,

Craig Mowry
Project Leader

FWS/NWRS-RE

February 18, 2015

Lori Sugden, Taxpayer Services Specialist
Taxpayer Service/Financial Service Offices
410 5th Street South, Suite 214
Hallock, Minnesota 56728

Re: Parcel No. 14-0141060

Dear Ms. Sugden:

The U.S. Government acquired 205.91 acres of land in Kittson County from The Nature Conservancy this Fiscal Year 2015. The Refuge Revenue Sharing Act provides for annual payments (in lieu of taxes) to local units of government for lands under the administration of the U.S. Fish and Wildlife Service. These payments are funded from the sale of products from these lands plus a supplemental congressional appropriation (enclosure 1).

Payment will be provided to you by electronic funds transfer, in compliance with the Anti-Deficiency Act of 1999. **Please complete** the Department of the Interior Vendor Updating Document (enclosure 2) and the Compliance Certificate Form (enclosure 3) and return these forms in the envelope provided. These forms must be received in order to process the payment due to Kittson County in 2016.

Each year you will receive notification from the U.S. Fish and Wildlife Service, Interior Business Center, Denver Operations. The notification will contain the following: 1) the amount of payment you will receive via Electronic Funds Transfer (EFT); 2) the date the transfer will be made; and, 3) contact information if you encounter any problems.

If you have any questions, please contact Claudia Wondra, Realty Specialist, at 1-800-247-1247, extension 5399, or at claudia_wondra@fws.gov.

/s/ Gabrielle Horner

for Patrick G. Carroll
Senior Realty Officer
Division of Realty

Enclosures

1. Refuge Revenue Share Brochure
2. Vendor Request Form
3. Compliance Form
4. Return Envelope

bcc: Agassiz NWR