

Lessard Outdoor Heritage Council (LOHC)
Monday, January 26, 2009
Room 550 N, State Office Building
8:00 a.m. – 3:00 p.m.

Meeting Summary

Members Present: Interim Chair Michael Kilgore, Lester Bensch, Darby Nelson, David Hartwell, Representative Rick Hansen, Senator Bill Ingebrigtsen, Representative Bob Gunther, James Cox, Bob Schroeder, Scott Rall, Senator Ellen Anderson, and Acting Executive Director Bill Becker

1. Call to Order

Chair Kilgore called the meeting to order at 8:03 a.m. A quorum was present.

2. Review and Approve Agenda

Chair Mike Kilgore requested an additional item to be added to the agenda. The amended agenda will include a discussion on Senator Ellen Anderson and Representative Rick Hansen 's bill requesting funding for the council until the Outdoor Heritage Fund begins accruing sales tax receipts later this year. David Hartwell moved to adopt the amended January 26 meeting agenda. **Motion prevailed.**

3. Approved January 12, 2008 Minutes

January 12, 2009 minutes were approved with changes.

4. Treasurer's Report: Recommended FY 2010 OHF Appropriation Target

David Hartwell opened the discussion with a few suggestions on how to manage the cash flow and how much to allocate for emerging issues: 1) Hold back 10% per year for emerging issues/reserve, budget shortfalls; 2) Schedule projects based on cash flow and manage funds for each project. A discussion followed on recommending collecting the reserve prior to allocations for projects or in monthly installments; and capping the reserve. The idea of establishing an endowment was also discussed. **The council will readdress this subject after the February forecast.**

5. Anderson/Hansen Bill

Representative Rick Hansen requested a hearing in the House but it is not scheduled yet. The Senate will hear the bill on Tuesday, January 27 or Thursday, January 29, 2009. It authorizes an appropriation from the Game and Fish Fund to cover administrative support expenses for the LOHC, which will be paid back to the Game and Fish Fund as funds become available. The council would have authority to hire, not the DNR. Senator Anderson noted that she received a memo from DNR Commissioner Mark Holsten authorizing \$100,000 from the Game and Fish Fund. These funds would be available through June 2009. The council will need funding through September 2009. Representative Gunther motioned in favor of moving forward with the bill to allocate \$150,000 from the Game and Fish Fund. **Motion prevailed by a unanimous vote of all eleven council members present.**

6. Public Testimony

Public Testimony was given by the following individuals:

Lawrence Tomforde, Goodhue County – Don't forget the individual constituents, citizen stakeholders want action.

Tom Henzel, Le Sueur County – Endorsed waterfowl project for Ducks Unlimited Living Lakes Initiative.

John Lindquist, Christina Lake Association – Concerned about lakes. A pumping project on Lake Christina needs funding. The lake association is willing to contribute \$100,000 - \$200,000 to the project.

Bob Austin – Interested in how grants will be handled. Has a \$25,000 project that involves a controlled burn and plantings. Wants to make sure the council listens to individual stakeholders.

Deborah Karasov, Great River Greening – Stressed volunteer, community-based conservation and community grant funding.

Julienne Boe, St Louis River Alliance – Introduced the Lower St. Louis River Habitat Plan. Concerned about the degradation of the fish and wildlife population and habitat.

Kevin Auslund, MN Deer Hunters Association – Funding of easements and small grants. Kevin stressed that the council look at long-term easements and the need to be flexible with the landowners. When working with smaller grants, Kevin stressed they be accessible to small groups. Mike Kilgore clarified that higher priority will be given to easements that provide public access.

6. Overview of Resource and Species Specific Plans

Dave Schad, MN DNR Fish and Wildlife Director, provided an overview of Species Specific Plans. One thing lacking is a statewide plan linking the individual plans together. A good example is the Missouri Plan, which was developed by Missouri's conservation agency.

Some of the roadblocks and challenges the DNR faces with the plans are county support for acquisitions, conflicting mandates in law, finding contractors, on-going maintenance issues for fee titling. Les Bensch mentioned that maintenance and taxation issues need to be addressed and also liability issues need to be resolved. Dave Schad will provide Bill Becker with a priority listing of wetland and prairie projects. Dave suggested the council set up a 25-year vision.

Dave mentioned the Game and Fish Budget Oversight Committee would be meeting on Tuesday, January 27 at the DNR. Les Bensch offered to attend the meeting to encourage the BOC's recommendation to allocate administrative support funds for the LOHC and get their feedback.

7. Resource and Species Specific Plans

Wetland and Prairie Plans – Dave Schad, MN DNR

WMA Plan/Program – Program started in 1951. It is one of the oldest and most successful conservation programs in the country. It is a stakeholder driven plan. DNR does not have the capacity (internal and external) to handle the current willing sellers at this time. Bonding history will be critical for the council to know.

Shallow Lakes – The program was started in the 1970s. The Shallow Lakes Program Plan is expected to be completed in 2009. Public review is scheduled for February 2009. Shallow lakes are some of our largest and most important wetlands. The lakes are critical for waterfowl during migration. There are problems with drainage, rough fish, and poor water quality. The Fish and Wildlife Division has the capacity to handle the recommendations in the plan, but does not have the funding. Current bonding appropriation of \$1 million is designated to be spent on other projects. \$3-5 million would be needed to accomplish the unfunded recommendations of ten water control structures/fish barriers.

Native Prairie Bank Conservation Easement Program – This program is administered by the Ecological Resources Division of the DNR. We have lost 99% of the original prairie land in Minnesota. \$10,000,000 would purchase 1/3 of the remaining prairie land. Steve Hirsch will send an estimate of acres to be eased in the next two years to Bill Becker.

Jim Leach, USFWS - The USFWS is involved in wetland and grassland projects with species that migrate or are threatened or endangered. The USFWS currently has ten recovery plans for Minnesota and believe they can assist the council in delivering more conservation programs in Minnesota. Jim talked about the "Joint Ventures" that the USFWS have with other partners, in particular, the Prairie Pothole Joint Venture Implementation Plan. The Prairie Pothole Region is one of the most important areas on the continent because of migration. The USFWS Fergus Falls office has compiled information that is available to anyone to use for wetland/grassland conservation projects.

Bob Schroeder brought up the issue of stakeholders being concerned about giving money to a federal agency. Mr. Leach replied that the USFWS doesn't care who protects the land as long as it's protected. WPAs are open for public recreation. There is a backlog of the "best of the best" land to purchase but they don't have the funds to move forward. Les Bensch brought up the question of federal money apportioned to other states not being spent because of the economy and wondered if there is any major federal matching dollars that would be available to Minnesota. Jim Leach said that the Federal Duck Stamp annually brings in \$4-6 million to Minnesota for land acquisition. The NAWCA is also another possible source of federal money that is matched 1:1. This money is for wetland/grassland acquisition and restoration. Scott Rall clarified the question by asking that if other states do not have the funds to match federal funds, could Minnesota get more of those dollars. Jim Leach said yes, that is possible. Bob Schroeder brought up the issue of the state's liability in paying taxes to the county once land is purchased. Jim explained that the way it could work is if the funds are put into a special federal account, like the LCCMR does. The money is then federal money. The USFWS would then purchase the land with those funds and make the annual refuge revenue payment and the one time trust fund payment to the county. The council would not be liable for future taxes on purchased parcels.

Forest Plans - Dave Zumeta, Minnesota Forest Resources Council (MFRC)

One-third of Minnesota's land is forested, roughly one-half public and one-half privately owned. The MFRC provides landscape level plans for all types of ownership (private, public, county, tribal, DNR, federal). Land and forestry management are the main components but wildlife issues and biodiversity are also addressed in the plans. Some plans do include urban areas. The MFRC will not be asking for money from the council but they do have non-profit partners and other partners that will be coming forward with requests and would like the council to consider these projects. Mr. Zumeta discussed fragmentation issues across the state. There is a study underway right now. The MFRC will bring the results to the legislature. MFRC does not have a metro plan or prairie plan. However, the MN Shade Tree Advisory Committee focuses on the metro and urban community forests. Senator Anderson stressed the need to protect and restore forestland in the cities as well as other parts of the state.

Dick Peterson, MN DNR - Forests for the Future Program (Forest Legacy)

Typically when DNR purchases a conservation easement they purchase the rights to develop and divide the property. Hunting, fishing, and public recreation are also considered. Easements usually restrict mining.

Bob Schroeder asked if Dick Peterson saw a distinction between enhancement and restoration of forests. We can only restore what we already have. Dick said that restoration is very important. Bob Schroeder noted that when projects are presented to the council it will be important that the projects identify if they are to restore or enhance.

Dick provided an overview of the Forests for the Future Program. The program relies on legislative appropriations and DNR staff to perform the work. They have a 25-year target to protect 530,000 acres of private forestlands with conservation easements, fee title acquisitions, and other means. Planning efforts do address the prairie areas of the state. There are two significant shovel ready projects. They total 264,000 acres. Some money is available for these projects and DNR is requesting additional federal funds. Additional funds needed: Up to \$58 million.

Fish and Wildlife Plans - Dave Schad, MN DNR

Aquatic Management Area (AMA) Acquisition Plan; 2007 – AMA plan was developed by stakeholders. The main goal of AMA is to protect fish habitat, shoreland and riparian habitat. There are a lot of partnerships. Priority projects are unfunded at this time with an estimated need of \$21 million. Darby Nelson asked about urgency. Dave Schad said that things have slowed down a bit with the economy. But there is a possibility of losing the land if we can't move forward.

Pheasant Plan - Dave Schad provided an overview of the Long Range Plan for the Ring-Necked Pheasant in Minnesota; 2005. Developed in cooperation with Pheasants Forever. Currently there are 1.77

million acres of CRP lands. A significant number of acres will expire within the next two years. With additional funding, DNR would have the opportunity purchase those CRP acres.

Long Range Duck Recovery Plan - This plan received a lot of attention in 2006 due to low duck harvest numbers in Minnesota. Stakeholders were involved in developing the plan. The goal is to improve breeding duck populations in Minnesota and to acquire an additional 2 million acres in wetland/grassland habitat complexes. Investing in these habitat complexes is a smart strategy. The recovery plan extends for 50 years. We lost 42,000 CRP acres in 2008.

Long Range Plan for Wild Turkey in Minnesota - The plan was finalized in 2006.

With respect to stakeholders coming to the council and asking to stock their lakes, Bob Schroeder asked the DNR if it considers stocking a restoration activity. The DNR responded stocking could be considered a restoration activity under certain circumstances.

Multi-Species Plan - Steve Hirsch, MN DNR

Steve provided an overview of the Tomorrow's Habitat for the Wild and the Rare Plan. This plan is linked closely with LCCMR's State Conservation Plan. It provides a landscape level look at prairie land. DNR receives about \$1 million in federal funds annually for plan implementation. MN Biological Survey is a good tool for the council to use. They can provide information on key habitats/biodiversity to guide the council's work. Steve will provide updated funding figure needs to the council.

8. Delivery Systems

Acquisition Delivery (Fee title) – Jim Leach, USFWS

Jim Leach discussed the Small Wetlands Acquisition Program. This program allows the USFWS to acquire small wetlands and grasslands in the Prairie Pothole Region of the US (Waterfowl Production Areas (WPA)). The water attracts the birds but they need the grassland for nesting. There are both fee and easement WPAs. With an easement, there is no guarantee of public access. Fee titling does guarantee access. Currently there is a backlog of 38 willing fee title sellers with a total of 4,000 acres, close to \$12 million. The roadblock is funding.

Bob Schroeder asked how many breeding pairs in the 4,000 acres? Jim explained that that figure could be attained through their modeling office. Les Bensch - What about maintenance? How many additional people would you need or additional private partners? Jim Leach said that if they bring forward a proposal in February, the USFWS does not plan to add additional staff. Most of the acres would be additions to existing WPAs and the current staff would manage them. There would be pass through dollars to local contractors etc.

Dennis Simon, MN DNR

Dennis provided an overview of WMA/AMA Land Acquisition Program and process. The process takes around 9-12 months (without a survey). WMA land acquisition requires county board approval. One problem they run into is PILT payments. Half of the shovel ready projects are at negotiating stage. DNR relies a lot on outside partners throughout the process. A lot of the projects are in the Prairie Pothole Region of the state. During the last two bonding years \$12-13 million has been spent per year in WMA acquisitions, and \$5-6 million/year has been spent on AMA acquisition. This is a significant acceleration from previous years. With a capacity level at \$12-13 million/year, the F&W Division staff has reached capacity. Increased capacity could possibly be handled by private contractors. Typically DNR receives \$3-4 million/year so without bonding they could handle another \$6-7 million per year. Currently, DNR is in the process of acquiring 1,042 acres as WMA lands at an estimated cost of \$6 million and 1,235 acres as AMA land. DNR has about one-half of the funding. There is a backlog of willing sellers for WMA and AMA acres that amounts to \$53,000,000.

PILT payments are made on all state land. Rates are based on what kind of land it is. It would acquire a statutory change to revise the process. There is a possibility to work the way the TNC and USFWS did on glacial ridge. At Glacial Ridge, a special fund was created to help the county make up the difference in taxes.

Matt Holland, Pheasants Forever

Matt gave an NGO perspective on acquisitions. We come from different angles but have the same mission. NGOs can assist in land acquisitions and can sometimes move faster than government units. NGOs bring community support. There are partnering opportunities. They can bring in staff, volunteers and additional money raised locally for projects. NGOs see hunting and fishing access as one of the benefits of fee titling. We need to challenge each other to think differently. There are lots of NGOs that work on land acquisition and they need to work together to increase capacity. Mike Kilgore was wondering if Pheasants Forever acquired some land and were to sell or donate it to the DNR would the process have to start all over again? Matt replied, no, but it would depend on the funding source. Granting sources might require another appraisal, bill of rights, etc. The timeframe is 4-5 months for average acquisition for Pheasants Forever.

Easement Acquisition

Jane Prohaska, MN Land Trust

A conservation easement is a real estate transaction and a document. Easements do not restrict the owner from selling their land, but restrict what you can do with the land. Conservation easements can be held only by government or conservation organizations. MLT has 370 easements, only two have public access. The majority of easements are held by the state and federal government, very few by NGOs. Easement negotiations focus on how we meet the conservation objectives. Most of MLT easements are donated. MLT monitors its easements with a yearly visit. They endow costs up front and then look for funding. Issues: staff and funding. Jane's recommendations to the council are to balance big land deals with smaller, private landowner easements. Conservation easements are only one tool.

Restoration and Enhancement Delivery

Dennis Simon, MN DNR - Public Lands

DNR has a long-term obligation to manage a new site. The main goal is have the land ready for public use within 2 years. Initial site development costs average \$150/acre. Roadblocks are finding contractors to plant seed, finding equipment in early spring.

Kevin Lines, BWSR - Private Lands

Kevin Lines provided an overview of some of the agencies that work with private landowners. BWSR, DNR, Farm Service Agency, USFWS, SWCDs. Nearly all are near capacity levels. Partnerships have made the successes possible. Kevin suggests the council maximize the federal farm program. In a 3-week period BWSR had over 300 applications for easements, worth \$70 million.

Jon Schneider, Ducks Unlimited

Jon Schneider gave a NGO summary from a wetland perspective. We have wetland crisis. DU will present a proposal next month with other NGO partners. Jon emphasized the need to partner with the federal and state agencies to get projects completed. DU has a limited amount of capacity to do more conservation projects. Any funds received from the LOHC would be spent in Minnesota.

9. Grants Program

Kristin Batson, MN Department of Administration, Office of Grants Management

Thirteen policies have been written to standardize and improve state grant making practices and to increase public access to information about those opportunities. Kristin went over these policies. Starting in April 2009, progress reports must be up-to-date before making grant payments. Websites for reference are: [.grants.state.mn](http://grants.state.mn) for public grant seekers and [.admin.state.mn.us/](http://admin.state.mn.us/) for state agency grants staff. Kristin will send a list of agencies that have conservation grants making programs to Bill Becker.

Wayne Sames, MN DNR

Environmental and Conservation Partnerships Grant Program. This program provides small grants to groups. A list of grants provided during the past three years was provided as a sample of what kinds of grants are available. Since 1995 they have given out \$3 million in grants. Maximum grant has increased to \$20,000.

Wayne provided a handout titled "Issues and Ideas Related to Establishment of a Conservation Partners Grant Program by the Lessard Outdoor Heritage Council". Topics to think about include: To what extent will the council get involved in setting up criteria for eligibility requirements, or will that be assigned to another entity?

Pete Skwira, MN DNR

Pete provided an overview of the Heritage Enhancement Grant Program and the Shoreland Habitat Restoration Grant Program. DNR has a grants page on their website: dnr.state.mn.us/ .

10. Council Small Grant Program Discussion

Greg Knoff

MN Statute 97A states that the council will establish the conservation partners grants program. Greg stated that you can put criteria in the law. You would have to know what criteria you want before making a recommendation to the legislature. Les Bensch suggested the council set the amount and matching criteria and make a recommendation to turn the administrative process over to DNR or someone else. Criteria can be expanded at a later date. The purpose of the grants program is for groups to get smaller grants without having to go through the full process before the council.

Mike Kilgore would like a copy of LCCMR's grant program legislation.

Pete Skwira suggested the council look over the "General Principles" section of the DNR's handout before setting up their criteria for the LOHC conservation partners program.

Mike Kilgore indicated he would like to establish a Conservation Partners Program Committee to work on developing the program's administration and eligibility criteria, and asked council members to indicate interest in serving on this committee. The following individuals agreed to serve on the Conservation Partners Program Committee:

- Scott Rall (Chair)
- Darby Nelson
- Les Bensch
- David Hartwell
- Senator Bill Ingebrigtsen
- Jim Cox

A request will go out to members not in attendance to indicate their interest in serving on this committee. Meeting times will be publicized. Meeting in conjunction with the full committee meeting was suggested. The main charge of the committee will be to recommend how the council is to meet our statutory obligations. The committee will bring back recommendations to the council on what the initial criteria should be to present to the legislature prior to the March 9 meeting.

Meeting adjourned at 3:16 p.m.

APPROVED:

APPROVED:

Chair, Mike Kilgore

Date

Secretary, Darby Nelson

Date