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↻ Designates that this item is a change item

## Agency Purpose

The Board of Water and Soil Resources (BWSR) implements state soil and water conservation programs and wetland policies through a statewide partnership. The mission of the BWSR board and staff is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners.

Agency programs, primarily delivered through local units of government, have resulted in less sediment and nutrients entering our lakes, rivers, and streams; greater fish, wildlife and native plant habitat; and improved management of public drainage systems. These outcomes are achieved in spite of intensification of agriculture, greater demands for forest products, and urbanization in many parts of the state.

Because 78% of the state is held in private ownership, the agency's focus on private lands is critical to the state attaining its goals for clean water, clean air and abundant fish and wildlife. Managed wisely, these working lands – Minnesota's farms, forests and urban areas – can contribute to the state's environmental goals.

BWSR programs include Conservation Cost-Share, Reinvest in Minnesota (RIM) Reserve, Clean Water Legacy, the Wetland Conservation Act (WCA), and Comprehensive Local Water Management. These programs are administered locally by the state's 91 soil and water conservation districts (SWCDs), 87 county water planners (some are SWCD staff), 338 WCA local government units (including cities, counties and SWCDs), 46 watershed districts, 20 metropolitan watershed management organizations and other local government units.

## Core Functions

The main duties of the board and staff include:

- ◆ Serving as the state soil conservation agency (M.S. 103B.101).
- ◆ Implementing best management practices that reduce nonpoint source pollution, promoting native vegetation and controlling invasive plant species by providing financial, technical, and administrative assistance to local government units and private landowners (M.S. 103B, 103C, 103D).
- ◆ Providing planning assistance to ensure that local water resource planning is linked with comprehensive land use planning and approving all local water management plans (M.S. 103B).
- ◆ Resolving water policy disputes (M.S. 103A.211, 103A.305, 103A.315, 103A.311).
- ◆ Providing a public forum for citizens and a broad range of interests to make decisions on complex water and soil conservation policies (M.S. 103B.101).
- ◆ Protecting wetlands from being drained or filled by implementing the Wetland Conservation Act (M.S. 103G).
- ◆ Coordinating local, state and federal resources to achieve the most effective conservation outcomes for the state's investment.

## Operations

The 17-member board consists of 12 members representing citizens and local government entities (county commissioners, SWCD supervisors and watershed district managers), 4 commissioners of state agencies, and 1 representative of the University of Minnesota Extension Service. Agency staff is located in eight geographically distributed offices throughout Minnesota.

## At A Glance

Key partnerships:

- ◆ State Conservation Cost-Share program provides about \$16 million annually (includes local, state and federal dollars) for land and water treatment practices that reduce soil erosion and improve water quality
- ◆ RIM Reserve - Wetlands Reserve Program (RIM-WRP) leverages \$1.4 federal for every state dollar to restore previously drained wetlands and adjacent grasslands
- ◆ Local government units (cities, counties or SWCDs) and BWSR administer the WCA, the state's wetland protection program
- ◆ BWSR and local watershed districts administer a broad range of programs and services to protect and improve water quality, inform citizens about best management practices to reduce nonpoint source pollution, and minimize damage to property caused by flooding

**Budget**

Two-year state budget:

- ◆ \$49.4 million for FY 2008-2009 biennium
- ◆ \$38.6 million (78%) in grants to local government units
- ◆ \$10.8 million operating budget (22%)
- ◆ FY 2009 staff complement: 79 FTE, of which 49 FTE are funded by general fund

The primary funding source for agency operations is the general fund.

**Contact**

Minnesota Board of Water and Soil Resources  
520 Lafayette Road  
Saint Paul, Minnesota 55155

Office of the Executive Director: 651-296-3767  
[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

Dollars in Thousands

	Current		Governor Recomm.		Biennium 2010-11
	FY2008	FY2009	FY2010	FY2011	
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	1,641	962	962	962	1,924
<b>Recommended</b>	<b>1,641</b>	<b>962</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change		0	(962)	(962)	(1,924)
% Biennial Change from 2008-09					-100%
<b>General</b>					
Current Appropriation	34,953	17,717	17,717	17,717	35,434
<b>Recommended</b>	<b>34,953</b>	<b>17,717</b>	<b>15,739</b>	<b>15,491</b>	<b>31,230</b>
Change		0	(1,978)	(2,226)	(4,204)
% Biennial Change from 2008-09					-40.7%
<b>Clean Water Fund</b>					
Current Appropriation	0	0	0	0	0
<b>Recommended</b>	<b>0</b>	<b>0</b>	<b>11,450</b>	<b>23,100</b>	<b>34,550</b>
Change		0	11,450	23,100	34,550
% Biennial Change from 2008-09					n.m.
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	1,378	1,112	0	0	0
General	26,883	27,794	15,789	15,541	31,330
Miscellaneous Special Revenue	177	451	200	200	400
Clean Water Fund	0	0	11,450	23,100	34,550
<b>Statutory Appropriations</b>					
General	2,265	2,383	2,383	2,383	4,766
Miscellaneous Special Revenue	1,673	3,591	1,970	1,970	3,940
Federal	1,642	2,985	1,647	1,647	3,294
<b>Total</b>	<b>34,018</b>	<b>38,316</b>	<b>33,439</b>	<b>44,841</b>	<b>78,280</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	4,507	11,039	5,976	5,976	11,952
Other Operating Expenses	2,330	1,845	1,156	2,348	3,504
Capital Outlay & Real Property	2,603	3,178	2,141	2,141	4,282
Local Assistance	24,578	22,254	24,166	34,376	58,542
<b>Total</b>	<b>34,018</b>	<b>38,316</b>	<b>33,439</b>	<b>44,841</b>	<b>78,280</b>
<b><u>Expenditures by Program</u></b>					
Water & Soil Resrcs Bd	34,018	38,316	33,439	44,841	78,280
<b>Total</b>	<b>34,018</b>	<b>38,316</b>	<b>33,439</b>	<b>44,841</b>	<b>78,280</b>
<b>Full-Time Equivalents (FTE)</b>	<b>59.6</b>	<b>64.0</b>	<b>57.6</b>	<b>55.5</b>	

WATER & SOIL RESOURCES BOARD

Change Summary

<i>Dollars in Thousands</i>				
	FY2009	Governor's Recomm.		Biennium
		FY2010	FY2011	2010-11
<b>Fund: ENVIRONMENT &amp; NATURAL RESOURCE</b>				
FY 2009 Appropriations	962	962	962	1,924
<b>Technical Adjustments</b>				
One-time Appropriations		(962)	(962)	(1,924)
<b>Subtotal - Forecast Base</b>	<b>962</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Governor's Recommendations</b>	<b>962</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: GENERAL</b>				
FY 2009 Appropriations	17,717	17,717	17,717	35,434
<b>Technical Adjustments</b>				
Current Law Base Change		(128)	(403)	(531)
One-time Appropriations		(100)	(100)	(200)
Pt Contract Base Reduction		(2)	(2)	(4)
<b>Subtotal - Forecast Base</b>	<b>17,717</b>	<b>17,487</b>	<b>17,212</b>	<b>34,699</b>
<b>Change Items</b>				
Base Budget Reduction	0	(1,748)	(1,721)	(3,469)
<b>Total Governor's Recommendations</b>	<b>17,717</b>	<b>15,739</b>	<b>15,491</b>	<b>31,230</b>
<b>Fund: CLEAN WATER FUND</b>				
FY 2009 Appropriations	0	0	0	0
<b>Subtotal - Forecast Base</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change Items</b>				
Clean Water Amendment	0	11,450	23,100	34,550
<b>Total Governor's Recommendations</b>	<b>0</b>	<b>11,450</b>	<b>23,100</b>	<b>34,550</b>
<b>Fund: GENERAL</b>				
Planned Statutory Spending	2,383	2,383	2,383	4,766
<b>Total Governor's Recommendations</b>	<b>2,383</b>	<b>2,383</b>	<b>2,383</b>	<b>4,766</b>
<b>Fund: MISCELLANEOUS SPECIAL REVENUE</b>				
Planned Statutory Spending	3,591	1,970	1,970	3,940
<b>Total Governor's Recommendations</b>	<b>3,591</b>	<b>1,970</b>	<b>1,970</b>	<b>3,940</b>
<b>Fund: FEDERAL</b>				
Planned Statutory Spending	2,985	1,647	1,647	3,294
<b>Total Governor's Recommendations</b>	<b>2,985</b>	<b>1,647</b>	<b>1,647</b>	<b>3,294</b>

# WATER & SOIL RESOURCES BOARD

Change Item: Base Budget Reduction

Fiscal Impact (\$000s)	FY 2010	FY 2011	FY 2012	FY 2013
General Fund				
Expenditures	\$(1,748)	\$(1,721)	\$(1,721)	\$(1,721)
Revenues	0	0	0	0
Other Fund				
Expenditures				
Revenues	0	0	0	0
Net Fiscal Impact	\$(1,748)	\$(1,721)	\$(1,721)	\$(1,721)

## Recommendation

The Governor recommends a reduction of \$1.748 million in FY 2010 and \$1,721,000 in FY 2011 to the Board of Water and Soil Resources general fund budget. The Governor intends that the Board of Water and Soil Resources should focus its operating funds on maintaining its highest priority services. In addition, the Governor intends to provide as much flexibility as possible to the agency for the implementation of these reductions.

## Background

The Board of Water and Soil Resources FY 2009 General fund operating budget is \$17.71 million. The Governor is proposing to reduce the Board of Water and Soil Resources general fund appropriation during the FY 2010-11 biennium.

## Relationship to Base Budget

This proposal represents a 10% base level reduction to the forecast base general fund budget.

## Key Goals and Measures

The budget submitted for Board of Water and Soil Resources seeks to safeguard core activities and reduce administrative overhead. The agency will manage budget reductions through various service level reductions or eliminations, staffing decreases, and/or operating expense reductions. The resulting budget will focus on new ways to operate the department's core functions.

# WATER & SOIL RESOURCES BOARD

Change Item: Clean Water Amendment

Fiscal Impact (\$000s)	FY 2010	FY 2011	FY 2012	FY 2013
General Fund				
Expenditures	\$0	\$0	\$0	\$0
Revenues	0	0	0	0
Other Fund				
Expenditures	11,450	23,100	23,100	23,100
Revenues	0	0	0	0
Net Fiscal Impact	\$11,450	\$23,100	\$23,100	\$23,100

## Recommendation

The Governor recommends \$11.45 million for FY 2010 and \$23.1 million for FY 2011 to the Board of Water and Soil Resources for activities out of the Clean Water Fund.

The Board of Water and Soil Resources has indicated that this funding will go towards accomplishing the following items:

- ◆ Provide for Local Government Unit (LGU) reporting and accountability, training and technical certifications, and evaluation of conservation program outcomes.
- ◆ Facilitate Clean Water Legacy Act protection and restoration activities with drainage management programs implemented through Public Drainage Authorities.
- ◆ Support the implementation of non-point source restoration and protection practices to clean up state waters that are impaired and to protect waters of the state from becoming impaired.
- ◆ Support grants to local governments to develop and apply water resource protection and management measures that go beyond state minimum standards for wetlands, shorelands, stormwater, sewage treatment, etc. and undertake related projects to clean up state waters that are impaired and to protect waters of the state that are not impaired from becoming impaired.
- ◆ Provide financial and technical assistance to landowners who are willing and ready to implement required environmental upgrades of their feedlots.

## Background

The citizens of Minnesota voted in November of 2008 to “dedicate funding to protect our drinking water sources; to protect, enhance, and restore our wetlands, prairies, forests, and fish, game, and wildlife habitat; to preserve our arts and cultural heritage; to support our parks and trails; and to protect, enhance, and restore our lakes, rivers, streams, and groundwater...”

This proposal seeks to use a portion of the 33% in increased sales and use tax rate directed to the newly-created Clean Water Fund which is designed to be spent only to protect, enhance, and restore water quality in lakes, rivers, streams, and groundwater, with at least 5% of the fund spent to protect drinking water sources.

## Relationship to Base Budget

The Clean Water Fund is a new fund with no future obligations assigned to it at this point. The Board of Water and Soil Resources was appropriated \$14.166 million of general funds as one-time appropriations in FY 2008, however this funding was designated in appropriations language as one-time, and therefore does not create a base appropriation obligation for FY 2010.

## Key Goals and Measures

This funding will be used for various projects aimed to accomplish the directives set out in the Constitutional Amendment.

**Statutory Change:** Not Applicable.

**Program Description**

This purpose of this program is to implement state soil conservation policy, protect and improve water quality, increase the biological diversity of our state's open areas, enhance wildlife and native plant habitats, and reduce damage to property caused by flooding.

BWSR staff provides support to local governments for implementing the state's soil and water conservation policy, its resource protection programs, and local water planning. Staff provides technical assistance for conservation projects implemented on private land.

Budget activities are:

- ◆ BWSR Operations
- ◆ Grants to Local Governments
- ◆ Easements
- ◆ Wetland Conservation Act
- ◆ Wetland Bank Quality Assurance/Control
- ◆ Clean Water Legacy
- ◆ Public Drainage
- ◆ Southeast Flood Recovery

**WATER & SOIL RESOURCES BOARD**  
 Program: WATER & SOIL RESRCS BD

Program Summary

*Dollars in Thousands*

	Current		Governor Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	1,641	962	962	962	1,924
<b>Technical Adjustments</b>					
One-time Appropriations			(962)	(962)	(1,924)
Subtotal - Forecast Base	1,641	962	0	0	0
<b>Total</b>	<b>1,641</b>	<b>962</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	34,953	17,717	17,717	17,717	35,434
<b>Technical Adjustments</b>					
Current Law Base Change			(128)	(403)	(531)
One-time Appropriations			(100)	(100)	(200)
Pt Contract Base Reduction			(2)	(2)	(4)
Subtotal - Forecast Base	34,953	17,717	17,487	17,212	34,699
<b>Governor's Recommendations</b>					
Base Budget Reduction		0	(1,748)	(1,721)	(3,469)
<b>Total</b>	<b>34,953</b>	<b>17,717</b>	<b>15,739</b>	<b>15,491</b>	<b>31,230</b>
<b>Clean Water Fund</b>					
Current Appropriation	0	0	0	0	0
Subtotal - Forecast Base	0	0	0	0	0
<b>Governor's Recommendations</b>					
Clean Water Amendment		0	11,450	23,100	34,550
<b>Total</b>	<b>0</b>	<b>0</b>	<b>11,450</b>	<b>23,100</b>	<b>34,550</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	1,378	1,112	0	0	0
General	26,883	27,794	15,789	15,541	31,330
Miscellaneous Special Revenue	177	451	200	200	400
Clean Water Fund	0	0	11,450	23,100	34,550
<b>Statutory Appropriations</b>					
General	2,265	2,383	2,383	2,383	4,766
Miscellaneous Special Revenue	1,673	3,591	1,970	1,970	3,940
Federal	1,642	2,985	1,647	1,647	3,294
<b>Total</b>	<b>34,018</b>	<b>38,316</b>	<b>33,439</b>	<b>44,841</b>	<b>78,280</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	4,507	11,039	5,976	5,976	11,952
Other Operating Expenses	2,330	1,845	1,156	2,348	3,504
Capital Outlay & Real Property	2,603	3,178	2,141	2,141	4,282
Local Assistance	24,578	22,254	24,166	34,376	58,542
<b>Total</b>	<b>34,018</b>	<b>38,316</b>	<b>33,439</b>	<b>44,841</b>	<b>78,280</b>

**WATER & SOIL RESOURCES BOARD**  
 Program: WATER & SOIL RESRCS BD

Program Summary

*Dollars in Thousands*

	Current		Governor Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Expenditures by Activity</u></b>					
Bwsr Operations	8,093	12,808	6,169	5,921	12,090
Grants To Local Govt	19,893	17,343	12,863	12,863	25,726
Easements	1,471	2,855	1,647	1,647	3,294
Wetland Conservation Act	280	920	810	810	1,620
Clean Water Legacy	2,058	3,024	11,450	23,100	34,550
Ditches	58	592	500	500	1,000
Cost Share Flood	2,165	774	0	0	0
<b>Total</b>	<b>34,018</b>	<b>38,316</b>	<b>33,439</b>	<b>44,841</b>	<b>78,280</b>
<b>Full-Time Equivalent (FTE)</b>	<b>59.6</b>	<b>64.0</b>	<b>57.6</b>	<b>55.5</b>	

**Activity Description**

This activity provides technical and administrative resources to achieve state soil and water resource goals. The activity provides agency staff support to local governments for implementation of the state's soil and water conservation policy, its resource protection programs, and local water planning and management, and technical assistance for conservation projects implemented on private land.

**Population Served**

Meeting state environmental goals requires working with a broad network of local government units that possesses many of the tools to address particular issues in land and water management. Almost 800 local units of government are empowered to deliver services on behalf of BWSR to achieve the state's soil and water conservation goals. These entities are clients as well as agents, in that they receive technical and administrative support from the activity, and also serve as the activity's major service provider.

**Services Provided**

Following is a description of key services provided by BWSR:

**Soil and Water Conservation Districts (SWCD) M.S. 103C**

- ◆ Hear petitions and order formation, consolidation and/or division of districts, approve location changes, conduct referenda, and order discontinuance of districts as needed.
- ◆ Approve changes to the nominating process for districts elections, hear petitions, and order removal of elected supervisors as necessary.
- ◆ Establish and enforce penalties for violation of grant programs and/or misconduct of supervisors or SWCD employees.
- ◆ Approve and administer state grants, and coordinate programs and activities with state and federal agencies.
- ◆ Develop and oversee programs designed to achieve soil and water conservation goals.
- ◆ Review and approve local soil and water conservation improvement projects.

**Watershed Districts and Watershed Management Organizations (WMOs) M.S. 103B and D**

- ◆ Establish, define boundaries, enlarge, consolidate or terminate districts; and appoint an initial board of managers for new districts.
- ◆ Receive and hear appeals of district project orders.
- ◆ Receive annual audits and reports, enforce member eligibility requirements, and assign areas to associated counties for watershed management.
- ◆ Approve management plans and revisions, review rules and regulations, review and approve engineering reports on proposed projects, and approve plans for establishing storm water utility fees.
- ◆ Investigate misconduct of district managers as necessary.

**Counties and Cities M.S. 103B, F and G**

- ◆ Approve water and land management plans.
- ◆ Hear and decide appeals of wetland replacement, wetland exemption determinations, and municipal contracts with water plans.
- ◆ Rescind enforcement authority for WCA and impose development moratoriums as necessary.
- ◆ Certify employees' completion of wetland delineation training and certify wetland banking transactions.

**Activity at a Glance****Activity Clientele**

- ◆ Local Units of Government
  - ⇒ 91 Soil and Water Conservation Districts (SWCDs)
  - ⇒ 46 Watershed Districts
  - ⇒ 20 Watershed Management Organizations (WMOs)
  - ⇒ 87 Counties
  - ⇒ 338 Wetland Conservation Act authorities
- ◆ Private landowners throughout the state
- ◆ State and federal conservation agency partners
- ◆ Private conservation organizations

**Available Statewide Land Resources**

- ◆ 41.7 million acres of private lands including
  - ⇒ 23 million acres of cropland
  - ⇒ 5.3 million acres of private forest land
  - ⇒ 7.4 million acres of wetlands

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: BWSR OPERATIONS

Narrative

- ◆ Approve comprehensive local water management plans and revisions.
- ◆ Approve and allocate grant funding to counties, conduct audits, and investigate potential grant violations.

## **Wetland Conservation Act M.S. 103A, B and G**

- ◆ Review projects, resolve disputes, and decide appeals.
- ◆ Participate on technical evaluation panels.
- ◆ Support interagency coordination and enforcement.
- ◆ Evaluate local government unit (LGU) performance.
- ◆ Administer program rules, forms, manuals, training, and delineator certification.
- ◆ Develop, review, and approve local wetland plans and ordinances.
- ◆ Acquire land and develop procedures for the local government wetland road replacement program.
- ◆ Administer the state wetland banking program.

## **Comprehensive Local Water Management Program M.S. 103**

- ◆ Develop program guidelines for submitting local water management plans, including citizen involvement.
- ◆ Review and approve plans submitted.
- ◆ Resolve disputes arising from planning process.
- ◆ Support local implementation of water management plans.
- ◆ Support development and adoption of local ordinances to protect and improve water quality or quantity.
- ◆ Support and provide technical assistance for the installation of practices to protect, conserve or improve water quality or quantity.

## **Drainage Management**

- ◆ Implement the legislature's directive to assess implementation of public drainage system buffers and their use, maintenance, and benefits in cooperation with farm groups, SWCDs, watershed districts, counties, conservation organizations, and the federal government.
- ◆ Analyze group recommendations regarding methods for modernizing drainage records, educating landowners on best management practices, and the efficacy of current reporting requirements for future implementation.
- ◆ Prepare and present findings and recommendations to the legislature.

## **RIM RESERVE Conservation Easement Program M.S. 103F.506 – 103F.535**

- ◆ Restore marginal agricultural land to protect soil and water quality and support fish and wildlife habitat.
- ◆ Acquire conservation easements from landowners to restore wetlands and establish wildlife habitat.

## **Expand Local Water Management Accountability and Oversight M.S. 103B.102**

- ◆ Monitor and evaluate the performance and activities of local water management entities.
- ◆ Institute assistance and sanctioning mechanisms for under-performing local governments.

## **Key Activity Goals and Measures**

See individual key activity goals and measures.

# WATER & SOIL RESOURCES BOARD

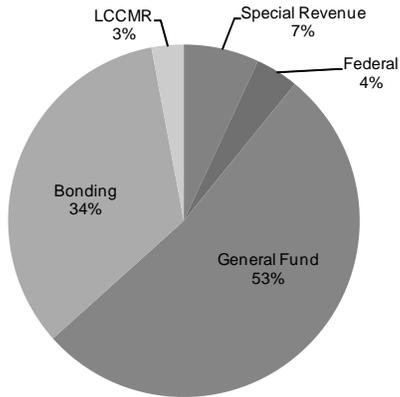
Program: WATER & SOIL RESRCS BD

Activity: BWSR OPERATIONS

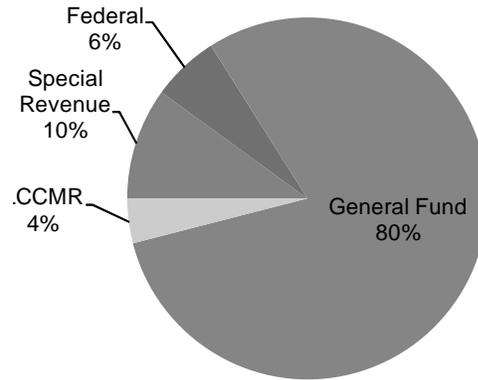
Narrative

## Program Funding

**FY2008-2009 Budget, All Funds  
(Including Bonding) \$93.0 Million**



**FY2008-2009, All Funds  
(Excluding Bonding) \$61.5 Million**



### Contact

Minnesota Board of Water and Soil Resources  
520 Lafayette Road  
Saint Paul, Minnesota 55155

Office of the Executive Director: (651) 296-3767, [www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

# WATER & SOIL RESOURCES BOARD

## Program: WATER & SOIL RESRCS BD

### Activity: BWSR OPERATIONS

### Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Governor's Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	1,291	712	712	712	1,424
<b>Technical Adjustments</b>					
One-time Appropriations			(712)	(712)	(1,424)
Subtotal - Forecast Base	1,291	712	0	0	0
<b>Total</b>	<b>1,291</b>	<b>712</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	6,374	5,261	5,261	5,261	10,522
<b>Technical Adjustments</b>					
Current Law Base Change			(175)	(450)	(625)
Pt Contract Base Reduction			(2)	(2)	(4)
Subtotal - Forecast Base	6,374	5,261	5,084	4,809	9,893
<b>Governor's Recommendations</b>					
Base Budget Reduction		0	(862)	(835)	(1,697)
<b>Total</b>	<b>6,374</b>	<b>5,261</b>	<b>4,222</b>	<b>3,974</b>	<b>8,196</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	1,038	862	0	0	0
General	5,371	7,917	4,222	3,974	8,196
Miscellaneous Special Revenue	177	451	200	200	400
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	1,301	3,356	1,747	1,747	3,494
Federal	206	222	0	0	0
<b>Total</b>	<b>8,093</b>	<b>12,808</b>	<b>6,169</b>	<b>5,921</b>	<b>12,090</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	4,089	9,766	5,106	5,106	10,212
Other Operating Expenses	2,218	1,307	(12)	15	3
Capital Outlay & Real Property	1,263	594	550	550	1,100
Local Assistance	523	1,141	525	250	775
<b>Total</b>	<b>8,093</b>	<b>12,808</b>	<b>6,169</b>	<b>5,921</b>	<b>12,090</b>
<b>Full-Time Equivalents (FTE)</b>	<b>54.2</b>	<b>58.7</b>	<b>52.3</b>	<b>50.2</b>	

**Activity Description**

Grant programs provide funding to local units of government to deliver soil and water conservation services to their communities. The funding is used for local program administration and implementation of conservation projects. The goal is to meet state objectives for clean water, productive soil, and abundant fish and wildlife habitat through partnerships with local government.

Grant funds are primarily used for two general purposes:

- ◆ to support and increase local capacity to implement local water management programs; and
- ◆ cost-share with private landowners who install conservation practices and projects on their land to benefit state water and soil resources.

SWCD General Services Grants provide each district with core conservation funds for general administration and operation. The grants are intended to provide districts a certain degree of funding stability. This grant represents the state contribution for staff and operating expenses associated with delivery of all state conservation programs.

Other BWSR grants are used by local units of government and landowners primarily to implement conservation practices, projects, and protection programs. The majority of these funds leverage federal, local, and landowner dollars as part of a required local match. Funding is also provided for limited planning and local administration of state regulatory programs. These dollars help local governments manage the quantity and quality of their water and provide needed funds to construct projects that improve water resources.

**Population Served**

This activity issues grants to a core delivery network of approximately 250 local government units, including Soil and Water Conservation Districts, Counties, Watershed Districts and Watershed Management Organizations.

**Services Provided**

There are currently eight different grants programs administered by BWSR. The services provided by BWSR include establishing eligibility criteria, determining grant program policies, reviewing work plans, issuing contracts, and conducting grant close-out reviews upon completion of each grant to ensure accountability. Both one-on-one and in classroom-type settings -- training -- on grant program initiatives is regularly provided. Finally, BWSR supports and maintains eLINK, a database that grant recipients use to report grant activity and to estimate project pollution reduction and related outcomes.

**Historical Perspective**

The State Conservation Cost-Share Program was enacted in 1977, and it provides up to 75 percent of the total eligible costs of conservation practices on private lands. Landowners or occupiers can request financial and technical assistance from their local SWCD to implement state-approved, enduring conservation practices. A wide variety of erosion control and water quality practices are eligible for these funds.

In the 1980s and 1990s, several BWSR programs were created, including Comprehensive Local Water Management, the Wetland Conservation Act, and Reinvest In Minnesota (RIM) Reserve program. Legislation was enacted to provide grants to local government through BWSR to administer these programs locally. Some of these grants have been combined to form the Natural Resources Block Grant (NRBG). BWSR's NRBG program

**Activity at a Glance**

Reporting for Years 2004 through 2007

Land and Water Treatment Projects

- ◆ 11,249 projects statewide
- ◆ \$25.20 million in total costs with:
  - ⇒ \$9.47 million in state grants
  - ⇒ \$1,894,228 in landowner costs
  - ⇒ \$5.18 million in federal grants
  - ⇒ \$91,569 in federal loans
  - ⇒ \$8.56 million: Local Government Unit cost
- ◆ 202,300 tons per year estimated of prevented soil loss
- ◆ 162,900 tons per year estimated reduction of sediment loading into surface waters
- ◆ 299,800 tons per year estimated reduction of phosphorus loading into surface waters

Feedlot Water Quality Cost Share Projects

- ◆ 184 projects
- ◆ 455,800 tons estimated reduction of phosphorus loading

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: GRANTS TO LOCAL GOVT

Narrative

has also been expanded to include pass-through grants to implement other conservation programs: such as the DNR Shoreland Management Program, the PCA Feedlot Permit Program, and PCA Subsurface Sewage Treatment System Program.

BWSR also administers the Feedlot Water Quality Management Program in cooperation with SWCDs across the state. SWCDs work with local producers to evaluate feedlots, identify water quality problems, coordinate financial and technical assistance, and implement solutions to fulfill state Feedlot Rule requirements. Between 1997 and 2007, this program was funded through base general fund appropriations. For FY 2008-2009, program funding was through Clean Water Legacy Act appropriations. Program priorities focus on water quality restoration and protection.

Local Water Management Challenge Grants have been provided by the LCCMR, which are one-time, competitive funds for high-priority local water planning projects.

Finally, two new BWSR grant programs were developed in response to 2007 legislation: the Cooperative Weed Management Area program and the Native Buffer Cost-Share program. Program policies and procedures were developed in FY 2008 and approved by the BWSR board.

## Key Activity Goals

Grant-related goals from the BWSR Strategic Plan ([http://www.bwsr.state.mn.us/publications/Strategic\\_Plan.pdf](http://www.bwsr.state.mn.us/publications/Strategic_Plan.pdf)) include:

- ◆ creating an effective local delivery system and partnerships to accomplish protect and improve water quality
- ◆ redeveloping and delivering conservation programs to maximize their impact on the land and water resource

In addition, this activity contributes to meeting several Minnesota Milestones indicators, which are:

- ◆ Indicator 64: Water Quality in Lakes and Rivers;
- ◆ Indicator 66: Erosion of Cropland; and
- ◆ Indicator 67: Wildlife Habitat.

## Key Activity Measures

- ◆ Administrative efficiencies have been realized despite an increasing number of transactions. Program staff administered nearly 20% more contracts in 2007 (302) than in 2004 (255).
- ◆ Improved targeting of conservation practices have resulted in a 10% increase to currently reported outcomes of soil loss prevented and reduced sediment loading into surface waters (estimate based on LGU reporting).

## Activity Funding

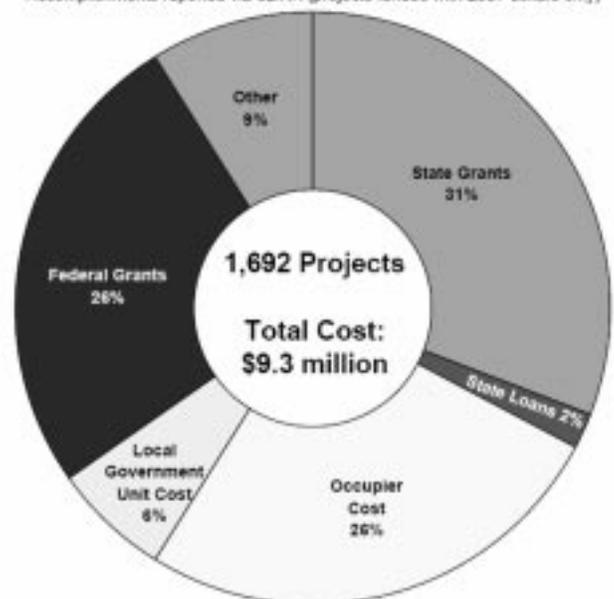
Funding sources include the general fund, LCCMR, and pass-through funds from the DNR and PCA.

## Contact

Minnesota Board of Water and Soil Resources  
520 Lafayette Road  
Saint Paul, Minnesota 55155

Office of the Executive Director: 651-296-3767  
[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

Conservation & Management Practices on Working Lands  
Accomplished through Partnerships with Local Government Units  
Land and Water Treatment Projects (BMPs) - Cost Distribution  
Accomplishments reported via eLINK (projects funded with 2007 dollars only)



# WATER & SOIL RESOURCES BOARD

## Program: WATER & SOIL RESRCS BD

### Activity: GRANTS TO LOCAL GOVT

### Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Governor's Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	350	250	250	250	500
<b>Technical Adjustments</b>					
One-time Appropriations			(250)	(250)	(500)
Subtotal - Forecast Base	350	250	0	0	0
<b>Total</b>	<b>350</b>	<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	22,159	11,146	11,146	11,146	22,292
<b>Technical Adjustments</b>					
Current Law Base Change			47	47	94
One-time Appropriations			(100)	(100)	(200)
Subtotal - Forecast Base	22,159	11,146	11,093	11,093	22,186
<b>Governor's Recommendations</b>					
Base Budget Reduction		0	(886)	(886)	(1,772)
<b>Total</b>	<b>22,159</b>	<b>11,146</b>	<b>10,207</b>	<b>10,207</b>	<b>20,414</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	340	250	0	0	0
General	16,951	14,567	10,257	10,257	20,514
<b>Statutory Appropriations</b>					
General	2,265	2,383	2,383	2,383	4,766
Miscellaneous Special Revenue	337	113	223	223	446
Federal	0	30	0	0	0
<b>Total</b>	<b>19,893</b>	<b>17,343</b>	<b>12,863</b>	<b>12,863</b>	<b>25,726</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	114	411	274	274	548
Other Operating Expenses	8	4	3	3	6
Capital Outlay & Real Property	0	25	0	0	0
Local Assistance	19,771	16,903	12,586	12,586	25,172
<b>Total</b>	<b>19,893</b>	<b>17,343</b>	<b>12,863</b>	<b>12,863</b>	<b>25,726</b>
<b>Full-Time Equivalents (FTE)</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	

**Activity Description**

The Reinvest in Minnesota (RIM) Reserve program compensates landowners for granting conservation easements and establishing native vegetation habitat on economically marginal, flood-prone, environmentally sensitive or highly erodible lands. It protects the state's water and soil resources by retiring existing marginal agricultural lands and by restoring drained wetland and associated buffers.

BWSR's RIM Reserve program is a critical component of the state's efforts to improve water quality by reducing soil erosion, reducing phosphorus and nitrogen loading and improving wildlife habitat on private lands. RIM Reserve is implemented in cooperation with local Soil and Water Conservation Districts (SWCDs).

Degrading water quality and diminished wildlife habitats can be found throughout Minnesota. Damage to Minnesota resources occurs in the form of soil erosion, sedimentation of eroded soil and phosphorus. Soil erosion reduces farm productivity, increases the costs of farming, and creates sediment for downstream communities to address. Sedimentation fills rivers and lakes, destroys habitat, carries pollutants, increases flood severities and reduces recreational value. Phosphorus makes water unsuitable for fish or human activities, promotes excess aquatic plant growth and promotes eutrophication of water resources.

**Population Served**

Voluntary private land conservation easements with private landowners are administered in partnership with SWCDs and focus on restoring drained wetlands and enrolling highly erodible, riparian and sensitive groundwater lands. Some of the bonding dollars that BWSR received in the 2008 legislative session are targeted to high-priority areas: the Red River Valley, the seven southeast flood disaster counties, and the Cedar River and Turtle Creek watersheds. All of those target areas are receiving funding via the RIM/WRP partnership. Funding decisions were made using a ranking system and resulted in a potential allocation of \$16 million state dollars and \$18.5 million in federal dollars.

**Services Provided**

The conservation easement program is implemented at the local level by county SWCDs. BWSR provides statewide program coordination and administration such as developing easement eligibility criteria. SWCDs enroll local landowners who have land that meets the eligibility criteria and is consistent with the requirements of M.S. 103F.505.

SWCDs send their completed applications to BWSR for funding selection. BWSR provides grants to SWCDs for easement acquisition and technical assistance required to secure these perpetual easements and to install the required conservation practices. This amount is in addition to RIM Service grants.

BWSR staff provides the necessary administrative, legal and engineering duties to be able to secure the conservation easements with landowners through the local SWCDs. BWSR duties include:

- ◆ verifying land ownership
- ◆ preparing a legal description and map of the easement area
- ◆ preparing a conservation plan
- ◆ completing the agreement signed by the landowners and the state, and
- ◆ encumbering conservation practice funds.

**Activity at a Glance**

Summary of 2008 Funding: \$25 million

**Target Areas**

- ◆ Prairie Pothole Region
- ◆ Red River Valley riparian restoration
- ◆ Cedar/Turtle Creek watersheds
- ◆ Southeast flood disaster counties

**Current Activities**

- ◆ RIM/WRP Phase I: \$15.9 million in state fund leverage; \$18.5 million in federal WRP dollars
- ◆ Cedar/Turtle Creek watersheds – \$700K funded to-date with remaining \$1.3 million to be awarded in FY 2009
- ◆ Native prairie restoration for alternative energy sources – up to \$1.25 million
- ◆ Vegetation / habitat enhancement projects

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: EASEMENTS

Narrative

Easements are inspected annually by SWCD staff for the first five years, then every third year thereafter.

BWSR is also providing the easement acquisition services to the Army National Guard for their Army Compatible Use Buffer (ACUB) project associated with the Camp Ripley installation near Little Falls. Thus far, BWSR has acquired over 20 easements at a cost of over \$4 million in federal dollars. This fee-for-service partnership has brought additional federal dollars for implementation to BWSR, the majority of which is granted to the SWCDs in the counties where ACUB easements are being acquired.

## Historical Perspective

In 1986, Reinvest in Minnesota Resources Act M.S. (103F.505) was enacted to keep certain marginal and environmentally sensitive agricultural land out of production to protect soil and water quality and support fish and wildlife habitat. The most recent RIM/Wetlands Reserve Program (RIM/WRP) Partnership between BWSR, SWCDs and the USDA Natural Resources Conservation Service (NRCS) is being delivered in an accelerated timeframe. A three-week application period in June/July 2008 resulted in demand that exceeds available funding. Approximately 260 applications were received totaling about \$70 million. Of those applications, 235 were deemed eligible, and 119 were chosen as the highest priority for funding.

## Key Activity Goals

The following are from the Statewide Conservation and Preservation Plan:

- ◆ Protect priority land habitats (Habitat Recommendation #1)
- ◆ Restore, land, wetlands and wetland-associated watersheds (Habitat Recommendation #5)
- ◆ Keep water on the landscape (Habitat Recommendation #7)

The following are from Minnesota Milestones:

- ◆ Changes in land use: Minnesotans will restore and maintain healthy ecosystems that support diverse plants and wildlife (Indicator #68)
- ◆ Wildlife Habitat: Minnesotans will restore and maintain healthy ecosystems that support diverse plants and wildlife (Indicator #6778)

## Key Activity Measures

- ◆ Since 1986, RIM Reserve has acquired approximately 5,200 easements totaling approximately 197,000 acres of environmentally fragile land.
- ◆ The ratio of federal to state dollar investment in the easement program is 1.3:1 with \$215 million in federal dollars and \$164 million in state and local funding to-date.
- ◆ Water quality benefits by removing environmentally sensitive cropland from production reported by SWCDs calculate reductions of 9.6 tons/year sediment, 4.2 tons/year soil loss, and 5.3 pounds/year phosphorous from each acre enrolled in a conservation easement (based on data reported 1998-2002).

## Activity Funding

All conservation easement dollars are funded through bonding, and they often leverage local and federal dollars.

## Contact

Minnesota Board of Water and Soil Resources  
520 Lafayette Road  
Saint Paul, Minnesota 55155

Office of the Executive Director: (651) 296-3767  
[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

**WATER & SOIL RESOURCES BOARD**

**Program: WATER & SOIL RESRCS BD**

Activity: EASEMENTS

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Governor's Recomm.</b>		<b>Biennium</b>
	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>2010-11</b>
<b><u>Expenditures by Fund</u></b>					
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	35	122	0	0	0
Federal	1,436	2,733	1,647	1,647	3,294
<b>Total</b>	<b>1,471</b>	<b>2,855</b>	<b>1,647</b>	<b>1,647</b>	<b>3,294</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	58	56	56	56	112
Other Operating Expenses	0	122	0	0	0
Capital Outlay & Real Property	1,340	2,559	1,591	1,591	3,182
Local Assistance	73	118	0	0	0
<b>Total</b>	<b>1,471</b>	<b>2,855</b>	<b>1,647</b>	<b>1,647</b>	<b>3,294</b>
<b>Full-Time Equivalents (FTE)</b>	<b>0.5</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	

**Activity Description**

This activity addresses BWSR's regulatory functions under the Wetland Conservation Act (WCA). The goal of WCA is no net loss of wetlands across the state. Wetland protection provided under WCA addresses the quality and quantity of wetlands. The activity focuses on regulating impacts to wetlands and requiring replacement of wetlands when unavoidable impacts occur. The program emphasizes wetlands located on private lands, restoration of wetlands that have been drained or filled for agriculture, and wetlands that are disturbed for urban development and transportation projects.

**Population Served**

Local government units — cities, counties, watershed management organizations, soil and water conservation districts, and townships — implement WCA locally. BWSR administers WCA statewide, and the Department of Natural Resources enforces it.

**Services Provided**

- ◆ Review local projects that require draining or filling wetlands, resolve disputes, and administer appeals process
- ◆ Participate on technical evaluation panels
- ◆ Coordinate enforcement and other activities with other state, local, and federal entities
- ◆ Evaluate local government unit (LGU) performance
- ◆ Administer program rules, forms, manuals, training, and wetland delineator certification
- ◆ Develop, review, and approve local wetland plans and ordinances
- ◆ Provide technical and administrative training to local governments and other practitioners
- ◆ Administer the state wetland banking program
- ◆ Acquire, develop and maintain wetland replacement sites for the Local Government Road Wetland Replacement Program

Approximately 20 BWSR staff members have primary responsibility or managing the WCA program, and an additional 15 staff support the program to a lesser degree.

**Historical Perspective**

In 1991, reacting to public concern about Minnesota's disappearing wetlands, the Minnesota Legislature approved the Wetland Conservation Act. It remains one of the most comprehensive wetlands protection laws in the country.

The legislature has amended WCA significantly four times, most often to accommodate the varying needs of the different geographic areas of Minnesota. Statutory changes enacted in 2007 were intended to reduce the loss of wetlands under the program and provide administrative improvements.

BWSR is currently developing rule amendments as required by the 2007 legislation. BWSR undertook a rigorous effort that involved over 35 stakeholder groups and organizations to review and assess the effectiveness of WCA. This program assessment was completed in November 2006, and led to legislation amending WCA that was enacted in May 2007. Temporary rules were adopted on 8-06-2007, and permanent rulemaking is currently underway with the new rule planned for adoption in August 2009.

Principal goals of this rulemaking are to comply with the current statute, reduce the loss of wetlands under the program, increase state-federal coordination, improve administrative efficiency, and improve the quality of replacement wetlands.

**Activity at a Glance**

**Activities for the period 2004 – 2007**

Wetland Impacts

- ◆ Number of landowner contacts – 67,439
- ◆ Acres of wetlands avoided – 10,990
- ◆ Acres of wetlands lost – 1,626
- ◆ Acres of wetlands replaced – 1,863
- ◆ Wetland acres exempt from WCA – 3,997

Project appeals

- ◆ Number of appeals – 139

Enforcement Activities

- ◆ Number of cease and desist orders – 1362
- ◆ Number of wetland restoration orders – 992

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: WETLAND CONSERVATION ACT

Narrative

## Key Activity Goals

Key activity goals for the WCA are found in statute at Minn. Stat. 103A.201 that establishes the state policy to:

- ◆ achieve no net loss in the quantity, quality, and biological diversity of Minnesota's existing wetlands;
- ◆ increase the quantity, quality, and biological diversity of Minnesota's wetlands by restoring or enhancing diminished or drained wetlands;
- ◆ avoid direct or indirect impacts from activities that destroy or diminish the quantity, quality, and biological diversity of wetlands; and
- ◆ replace wetland values where avoidance of activity is not feasible and prudent.

In addition, the 2007 BWSR Strategic Plan ([http://www.bwsr.state.mn.us/publications/Strategic\\_Plan.pdf](http://www.bwsr.state.mn.us/publications/Strategic_Plan.pdf)) establishes goals relative to the three strategic issues discussed in the plan:

- ◆ What do we do to create the effective local delivery system and partnerships to accomplish our mission?
- ◆ How do we redevelop and deliver our conservation programs so we maximize their impact on the land and water resource?
- ◆ How do we make our accomplishments and the state's resource conservation needs well known among those having significant influence over our mission?

Also, the Clean Water Cabinet adopted a wetland visions that provides support and direction for WCA program administration (<http://www.cwc.state.mn.us/documents/Wetlands.vision.pdf>).

## Key Activity Measures

- ◆ Improve metrics and LGU WCA reporting accuracies to provide a comprehensive evaluation, on an annual basis, of the goal to achieve no net loss of wetlands.
- ◆ Improve overall program effectiveness by updating the rule to provide more concise and clear regulation language and providing more information and education opportunities for LGU's and the general public. This will be measured through continued and improved LGU WCA annual reporting.
- ◆ Reduce the number of WCA appeals and the length of time of achieving resolution. The BWSR WCA Appeals Coordinator will track these performance measures as well as the factors that affect the number of appeals and length of time required to achieve resolution.

## Contact

Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
Saint Paul, Minnesota 55155  
Office of the Executive Director  
Phone: (651) 296-0878  
Fax: (651) 297-5615

[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

**WATER & SOIL RESOURCES BOARD**  
**Program: WATER & SOIL RESRCS BD**  
**Activity: WETLAND CONSERVATION ACT**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Governor's Recomm.</b>		<b>Biennium</b>
	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>2010-11</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	870	810	810	810	1,620
Subtotal - Forecast Base	870	810	810	810	1,620
<b>Total</b>	<b>870</b>	<b>810</b>	<b>810</b>	<b>810</b>	<b>1,620</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	280	920	810	810	1,620
<b>Total</b>	<b>280</b>	<b>920</b>	<b>810</b>	<b>810</b>	<b>1,620</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	246	806	540	540	1,080
Other Operating Expenses	34	94	20	20	40
Local Assistance	0	20	250	250	500
<b>Total</b>	<b>280</b>	<b>920</b>	<b>810</b>	<b>810</b>	<b>1,620</b>
<b>Full-Time Equivalent (FTE)</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	

**Activity Description**

The 2006 legislature enacted the Clean Water Legacy Act (CWLA) to continue to identify impaired waters, conduct total maximum daily load (TMDL) studies and implement restoration activities in accordance with the federal Clean Water Act.

The majority of Minnesota's water impairments are caused by nonpoint source pollution. CWLA funds to the Board of Water and Soil Resources (BWSR) are used to implement conservation practices that reduce nonpoint pollution as part of the state's overall effort to address its impaired waters and protect high-quality lakes, rivers, streams, and wetlands.

Most BWSR funds are granted to local government units and they leverage federal, local, and/or landowner dollars. BWSR staff provides technical and administrative assistance to grant recipients on all phases of the program, including planning, project management, reporting, and evaluating outcomes. CWLA grants are generally larger and more targeted than other BWSR grants and they usually involve coordination among several local organizations. CWLA grants also differ from other BWSR grants in that they place a greater emphasis on selecting priority projects identified in local water plans or in approved TMDL implementation plans.

The grants and reporting activities are targeted at protecting or restoring waters identified in an approved TMDL implementation plan or listed as a priority within Local Water Management Plans approved under M.S. 103B.

**Population Served**

CWLA funds are appropriated through the Local Water Resources Protection and Management Program (M.S. 103B.3369). These funds can be directed to cities, towns, counties, soil and water conservation districts, watershed districts, joint-powers organizations, or other special purpose districts or authorities with local jurisdiction in water and related land resources management.

**Services Provided**

BWSR staff assists local government units to coordinate and install conservation practices in targeted areas to reduce nonpoint source pollution and to effectively manage the financing and implementation of these large projects. A key component of many of these projects is to develop conservation plans for landowners and project designs for larger projects. BWSR has hired staff with the technical expertise to provide these and other essential technical services. BWSR also provides oversight for project funding and measuring outcomes.

**Historical Perspective**

BWSR and other agencies received one-time appropriations in the 2006 and 2007 legislative sessions. Various alternatives were discussed in the legislative progress for a long-term source of funding for the CWLA without a conclusion. The current source of CWLA funds is the General Fund. The state's new Clean Water Council has provided recommended funding levels for all aspects of the CWLA.

**Activity at a Glance**

- ◆ Total BWSR CWL appropriations: \$5.9 M (2007), \$9.3 M (2008), \$4.9 M (2009)
- ◆ Dollars for competitive grants: \$5.6 M (2007), \$4.2 M (2008), \$1.2 M (2009)
- ◆ Dollars requested from applicants: \$44.8 M (8:1 - 2007), \$27 M (6:1 - 2008)
- ◆ Dollars Leveraged: \$4.25 M (2007), \$3.9 M (2008-est.)

Accomplishments:

- ◆ 11 stream bank, gully and bluff stabilizations
- ◆ 32 lakeshore stabilization and restorations
- ◆ 19 sediment basins / ponds
- ◆ 37 bio-retention features
- ◆ 17 manure management practices
- ◆ 4,000 acres of native buffers and filter strips
- ◆ 95 alternative drainage tile intakes
- ◆ 10 nutrient management plans

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: CLEAN WATER LEGACY ACT

Narrative

## Key Activity Goals

Two main goals of the CWLA are found in Minnesota Milestones:

- ◆ Indicator 64, improve the quality of the air, water and earth -- specifically, ensuring that more lakes and rivers are "swimmable" and "fishable."
- ◆ Indicator 68, reduces erosion of cropland to improve water quality and ensure long-term productivity of soil.

The following goal is from the Statewide Conservation and Preservation Plan:

- ◆ Protect priority land habitats (Habitat recommendation #1).

## Key Activity Measures

- ◆ Proportion of grant dollars to administrative dollars in the BWSR appropriation is 11 to one.
- ◆ Program outcomes are noted in "Activity at a Glance" section above.

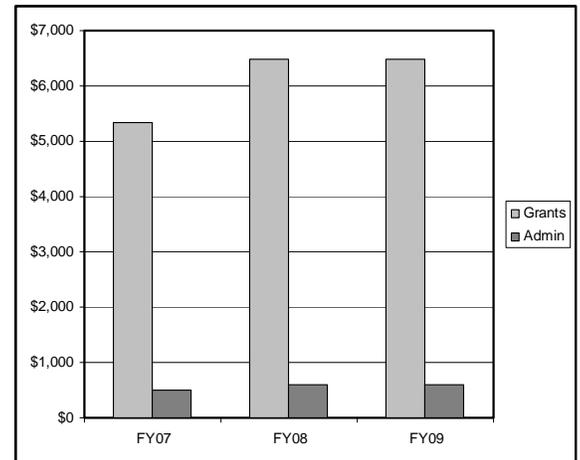
## Activity Funding

This activity is funded with general fund appropriations. Appropriation history is noted in "Activity at a Glance" section above and in the adjacent chart (dollars in thousands). The BWSR appropriation is tied to a multi-agency funding approach including MPCA, DNR and Department of Agriculture.

## Contact

Minnesota Board of Water and Soil Resources  
520 Lafayette Road  
Saint Paul, Minnesota 55155

Office of the Executive Director: (651) 296-3767  
[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)



# WATER & SOIL RESOURCES BOARD

## Program: WATER & SOIL RESRCS BD

### Activity: CLEAN WATER LEGACY

### Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Governor's Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	2,175	0	0	0	0
Subtotal - Forecast Base	2,175	0	0	0	0
<b>Total</b>	<b>2,175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Clean Water Fund</b>					
Current Appropriation	0	0	0	0	0
Subtotal - Forecast Base	0	0	0	0	0
<b>Governor's Recommendations</b>					
Clean Water Amendment		0	11,450	23,100	34,550
<b>Total</b>	<b>0</b>	<b>0</b>	<b>11,450</b>	<b>23,100</b>	<b>34,550</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	2,058	3,024	0	0	0
Clean Water Fund	0	0	11,450	23,100	34,550
<b>Total</b>	<b>2,058</b>	<b>3,024</b>	<b>11,450</b>	<b>23,100</b>	<b>34,550</b>
<b><u>Expenditures by Category</u></b>					
Other Operating Expenses	12	226	1,145	2,310	3,455
Local Assistance	2,046	2,798	10,305	20,790	31,095
<b>Total</b>	<b>2,058</b>	<b>3,024</b>	<b>11,450</b>	<b>23,100</b>	<b>34,550</b>

**Activity Description**

Drainage management activities of the Board of Water and Soil Resources (BWSR) currently include:

- ◆ advisory review of watershed district engineers' reports and project plans (M.S. 103D);
- ◆ wetland restoration on drainage infrastructure through the Reinvest in Minnesota (RIM) Reserve Program and associated local-state-federal partnerships, and through wetland replacement for public road impacts;
- ◆ facilitation of the stakeholder Drainage Work Group;
- ◆ leadership of an interagency-university Drainage Management Team;
- ◆ development of Drainage Records Modernization Guidelines and administration of cost-share for modernization of M.S. 103E drainage records;
- ◆ update of the Minnesota Public Drainage Manual; and
- ◆ collection of M.S. 103E drainage ditch buffer strip reporting data.

These activities are implemented to reduce erosion and sedimentation, protect and restore water quality, reduce flooding damages and improve wildlife habitat, while maintaining Minnesota's agricultural production capacity. Approximately 80 of 87 counties and 25 of 46 watershed districts in Minnesota currently serve as drainage authorities for public drainage systems under M.S. 103E.

**Population Served**

The drainage management activities of the BWSR are directed toward M.S. 103E drainage authorities (counties and watershed districts), private landowners, drainage engineers, viewers and associated legal advisors. These activities involve local, state and federal agencies and many other entities involved and/or interested in drainage management. These activities serve all Minnesotans through restoration and protection of state water resources and wildlife habitat while also serving landowners, drainage authorities and road authorities in multi-purpose drainage management activities.

**Services Provided**

BWSR provides engineering and vegetation specialist services for wetland restorations from site investigation through construction. This involves working with willing landowners and local government units to restore previously drained wetlands and adjacent uplands on public and private drainage systems.

For the other drainage management activities identified above, BWSR provides facilitation, leadership, information and education, with both generalist and specialist perspectives. Examples include:

- ◆ Reviewing watershed district engineering reports and project plans;
- ◆ Facilitating Drainage Work Group meetings and working with all stakeholders to achieve consensus and associated outcomes;
- ◆ Developing and maintaining Drainage Records Modernization Guidelines;
- ◆ Administering cost-share grants to county and watershed district drainage authorities for public drainage records modernization;
- ◆ Updating and maintaining the Minnesota Public Drainage Manual; and
- ◆ Leading and facilitating the interagency-university Drainage Management Team.

**Activities at a Glance**

BWSR duties include:

- ◆ Restoring previously drained wetlands and adjacent uplands on public and private drainage systems.
- ◆ Reviewing watershed district engineer's reports and project plans.
- ◆ Facilitating Drainage Work Group meetings and working with all stakeholders to achieve consensus and associated outcomes.
- ◆ Developing and maintaining Drainage Records Modernization Guidelines.
- ◆ Administering cost-share grants to county and watershed district drainage authorities for public drainage records modernization.
- ◆ Updating and maintaining the Minnesota Public Drainage Manual.
- ◆ Leading and facilitating the interagency-university Drainage Management Team.

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: PUBLIC DRAINAGE

Narrative

## Historical Perspective

Concerns and interest regarding drainage management continue to increase. In 2006, BWSR published a Public Drainage Ditch Buffer Study, in response to a Legislative directive. A related outcome was establishment of the stakeholder Drainage Work Group, which developed consensus recommendations including: clarifications of M.S. 103E; development of drainage records modernization guidelines; increased cost-share for drainage records modernization; update of the Minnesota Public Drainage Manual; and establishment of a Drainage Management Team. The Governor and 2007 Legislature adopted the recommended clarifications of M.S. 103E and provided funding and directives to BWSR to implement and further develop Drainage Work Group consensus recommendations.

## Key Activity Goals

- ◆ Minnesota Milestones Indicator 64, improve the quality of the air, water and earth -- specifically, ensuring that more lakes and rivers are "swimmable" and "fishable".
- ◆ Minnesota Milestones Indicator 68, reduce erosion of cropland to improve water quality and ensure long-term productivity of soil.
- ◆ Promote and enable multipurpose drainage management by local government units, landowners and other partners, to provide adequate drainage for agriculture and road infrastructure in accordance with state drainage law, while reducing peak flows, flooding, erosion and sedimentation, and improving water quality and wildlife habitat (BWSR Strategic Plan at: [http://www.bwsr.state.mn.us/publications/Strategic\\_Plan.pdf](http://www.bwsr.state.mn.us/publications/Strategic_Plan.pdf) ).
- ◆ Review and analyze drainage policy and provide communities with the tools necessary for developing and implementing conservation-based comprehensive plans (Statewide Conservation and Preservation Plan <http://environment.umn.edu/scpp/finalplan.html>).

## Key Activity Measures

- ◆ Expand stakeholder participation on the Drainage Work Group for increased knowledge and adoption of multipurpose drainage management practices.
- ◆ Increase the number of M.S. 103E drainage authorities with modern drainage records by approximately 10 per year.
- ◆ Update and periodically maintain the Minnesota Public Drainage Manual, including access via the BWSR web site and monitoring of its use.

## Contact

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**WATER & SOIL RESOURCES BOARD**

**Program: WATER & SOIL RESRCS BD**

Activity: DITCHES

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Governor's Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	150	500	500	500	1,000
Subtotal - Forecast Base	150	500	500	500	1,000
<b>Total</b>	<b>150</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>1,000</b>
 <b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	58	592	500	500	1,000
<b>Total</b>	<b>58</b>	<b>592</b>	<b>500</b>	<b>500</b>	<b>1,000</b>
 <b><u>Expenditures by Category</u></b>					
Other Operating Expenses	58	92	0	0	0
Local Assistance	0	500	500	500	1,000
<b>Total</b>	<b>58</b>	<b>592</b>	<b>500</b>	<b>500</b>	<b>1,000</b>

**Activity Description**

Following a severe flood event in southeast Minnesota in August 2007, Governor Tim Pawlenty called the Legislature into Special Session and authorized nearly \$148 million for flood recovery, including \$4 million for BWSR programs. Part of this area was again flooded in June 2008. Board of Water and Soil Resources (BWSR) worked with local and federal conservation partners to respond immediately by providing state funds and technical assistance to support the recovery effort. Staff in local Soil and Water Conservation Districts and the USDA Natural Resources Conservation Service (NRCS) conducted preliminary damage assessments and began work to complete key projects in the fall of 2007. BWSR continues to work with local and federal agencies to assess damage and prioritize workload to determine effective and efficient flood damage repairs and future flood protection strategies.

Many conservation projects require a licensed engineer to design and supervise construction. The high workload and limited availability of people with the necessary expertise has been an obstacle to getting more projects completed. Weather conditions also have delayed some projects.

In response to these challenges, the Legislature and Governor Tim Pawlenty in 2008 approved a transfer of \$1.85 million from Department of Employment and Economic Development (DEED) to BWSR, which will be used to address the documented need for additional cost-share funds, and funds to hire additional engineering staff. The Legislature and governor also extended deadlines for encumbering flood-relief funds. In September 2008, BWSR hired one engineer and two engineering technicians on a limited, temporary basis to provide the technical expertise that is necessary to complete this work.

**Population Served**

BWSR services of this activity are provided to landowners through SWCDs, counties, watershed districts, cities and townships in the disaster-declared counties -- Winona, Houston, Fillmore, Olmsted, Wabasha, Dodge and Steele counties. The June 2008 flood caused damage in these counties and in Mower and Freeborn counties.

**Services Provided**

BWSR is providing financial, technical and administrative services to affected local government units (LGUs) through BWSR Conservation Cost-Share programs, Reinvest In Minnesota (RIM) Reserve easement program, and the Clean Water Legacy program. A coordinated approach to repair of flood damaged lands is implemented by local, state and federal conservation partners using the existing local conservation delivery system. BWSR set policies to balance the need to get some key projects done immediately with the need to ensure accountability of these dollars. Initially, \$650,000 was allocated to SWCDs in the flood disaster counties to provide quick response to conservation repair needs and debris removal in the fall of 2007. Local, state, and federal staffs have continued to coordinate workload, assess engineering/technical assistance needs, and further document requests from landowners to repair flood-related damage. Additional cost-share funds have been allocated based on timely requests and workload. Due to the extreme amount of flood-related damage over a large area, damage assessments continued through the 2008 growing season.

**Historical Perspective**

The workload of conservation partners in southeast Minnesota (including BWSR, local SWCDs and the USDA Natural Resources Conservation Service) is at least three times higher than an average year's workload.

**Activity at a Glance**

- ◆ 152 completed erosion control projects on flood damaged sites. Examples include repairing gullies, stabilizing stream banks, sealing unused wells, and planting filter strips of native vegetation.
- ◆ 253 projects active and underway by conservation partners, most are scheduled to be completed in 2008.
- ◆ 722 acres of flood-damaged riparian lands enrolled in RIM Reserve perpetual easements with restored wetlands and native vegetation.
- ◆ 380 flood-damaged sites cannot be completed without supplemental engineering and technical assistance, so BWSR is hiring staff on a temporary basis to provide the necessary expertise to get these projects underway.

# WATER & SOIL RESOURCES BOARD

Program: WATER & SOIL RESRCS BD

Activity: SE FLOOD RECOVERY

Narrative

## Key Activity Goals

- ◆ Provide money to match and supplement federal disaster assistance for property damaged by the floods;
- ◆ Provide aid to local governments and individuals affected by floods;
- ◆ Improve water quality in lakes and rivers and protect ground water;
- ◆ Reduce soil erosion by repairing stream banks, sealing wells, planting filter strips of native vegetation, restoring wetlands, and installing other conservation practices on privately owned lands;
- ◆ Install conservation practices that will reduce potential flood-related damage to property in the future; and
- ◆ Enhance diverse wildlife habitat.

## Key Activity Measures

- ◆ As of 8-1-08, state flood-relief funds leveraged local and federal dollars to complete 152 projects, and 253 projects were underway with a total of \$1.18 million total dollars spend and encumbered.
- ◆ Damage assessments have identified 321 conservation practices in need of repair with estimated costs totaling \$2.75 million.
- ◆ Agreements have been secured and easements are being processed, which will restore 722 acres of wetlands and grasslands on flood damaged land.

Conservation Practice	Projects		Costs	
	Completed	Active	Dollars Spent	Dollars Encumbered
Stormwater pond clean out/repair	8	32	\$9,523	\$83,856
Gully repair and filter strip	20	43	56,405	163,251
Unused well sealing	85	94	32,850	75,400
Terrace/ water diversion	10	6	17,837	10,944
Grade Stabilization	15	38	169,002	201,356
Grassed Waterway	5	23	5,045	62,754
Streambank and shoreland protection	4	10	168,591	216,719
Water and sediment control basin	2	1	2,633	2,566
Debris removal	3	3	2,625	6,453
<b>Total</b>	<b>152</b>	<b>253</b>	<b>\$464,512</b>	<b>\$842,595</b>

## Activity Funding

BWSR adopted a Southeast Minnesota Flood Relief Resolution on 9-25-2007 covering program waivers and funding for flood recovery dollars received in the 2007 Special Session:

- ◆ \$3.0 million for Erosion, Sediment, and Water Quality Control Cost-Share; and
- ◆ \$2.1 million for RIM Conservation Easements (\$1 million new and \$1.1 million existing BWSR RIM funding).

Additional funds have been targeted to southeast Minnesota to complement the flood-recovery dollars:

- ◆ A \$51,700 Clean Water Legacy grant was awarded to the Minnesota Conservation Corp for several priority flood-relief activities, including restoring and removing debris from flood protection structures and riparian lands, and developing GIS layers of ponds, waterways and streams in Winona County to help with damage assessments and watershed modeling of the Garvin Brook watershed.
- ◆ A \$750,000 loan from the Minnesota Department of Agriculture's Ag BMP Loan Program was provided by MDA to implement flood-recovery projects in the seven-county area.

## Contact

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**WATER & SOIL RESOURCES BOARD**

**Program: WATER & SOIL RESRCS BD**

**Activity: COST SHARE FLOOD**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Governor's Recomm.		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	3,000	0	0	0	0
Subtotal - Forecast Base	3,000	0	0	0	0
<b>Total</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	2,165	774	0	0	0
<b>Total</b>	<b>2,165</b>	<b>774</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b><u>Expenditures by Category</u></b>					
Local Assistance	2,165	774	0	0	0
<b>Total</b>	<b>2,165</b>	<b>774</b>	<b>0</b>	<b>0</b>	<b>0</b>

WATER & SOIL RESOURCES BOARD

Agency Revenue Summary

*Dollars in Thousands*

	Actual FY2008	Budgeted FY2009	Governor's Recomm. FY2010   FY2011		Biennium 2010-11
<b><i>Non Dedicated Revenue:</i></b>					
<b>Total Non-Dedicated Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><i>Dedicated Receipts:</i></b>					
<b>Grants:</b>					
General	2,324	2,324	2,383	2,383	4,766
Federal	95	0	0	0	0
<b>Other Revenues:</b>					
General	292	50	50	50	100
Miscellaneous Special Revenue	2,233	2,170	2,170	2,170	4,340
Federal	1,824	2,647	1,647	1,647	3,294
<b>Total Dedicated Receipts</b>	<b>6,768</b>	<b>7,191</b>	<b>6,250</b>	<b>6,250</b>	<b>12,500</b>
<b>Agency Total Revenue</b>	<b>6,768</b>	<b>7,191</b>	<b>6,250</b>	<b>6,250</b>	<b>12,500</b>

## Federal Funds Summary

Federal Program (\$ in Thousands)	Related SFY 2008 Spending	Primary Purpose	SFY 2008 Revenues	SFY 2009 Revenues	Estimated SFY 2010 Revenues	Estimated SFY 2011 Revenues
ACUB – US Army	\$1,500	GI	\$1,500	\$2,647	\$1,647	\$1, 647
NRCS Payments - USDA	\$419	SO	\$419	200	196	196
<b>Agency Total</b>	<b>\$1,919</b>		<b>\$1,919</b>	<b>\$2,847</b>	<b>\$1,843</b>	<b>\$1,843</b>

**Key:**

Primary Purpose

SO = State Operations

GPS = Grants to Political Subdivision

GI = Grants to Individuals

GCBO = Grants to Community Based Organizations