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### **Mission:**

To improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners.

### **Statewide Outcome(s):**

Water and Soil Resources, Board of supports the following statewide outcome(s).

A clean, healthy environment with sustainable uses of natural resources.

### **Context:**

The Board of Water and Soil Resources (BWSR) business model is designed to operate as a state-level source of technical and financial assistance utilizing a large local government delivery system. This partnership is focused on putting conservation practices and projects on-the-ground. BWSR's staff balances local resource needs with state plans and objectives, and works to leverage federal, state and local dollars. Achieving Minnesota's public goals is best achieved with a strong cooperative partnership that works with the 78 percent of the state land that is in private ownership.

BWSR's clientele have a voice in the oversight provided by the 20 member board that consists of three citizens, 11 local government officials, four commissioners of state agencies, and one representative of the University of Minnesota Extension Service. The board's mix of perspectives leads to practical and credible conservation policy and program development. The board provides a means for citizens and local governments to take direct ownership of conservation issues and assures the balance of private and public interests needed to achieve and sustain significant conservation advances.

BWSR has a unique role as a bridge to local government units. Working through the agency's primary customers, local government partners and others, BWSR's key issues and agency priorities include:

- Funding for conservation activities with a mix of state and federal funds. BWSR has enjoyed great success in leveraging federal funds to amplify state conservation funds. Additionally, the outcome reporting system eLINK operated by BWSR and used by local government units captures fiscal data on local projects including non-state funds leveraged federal, landowner, non-profits, and local government sources.
- Putting land and water conservation projects on-the-ground in the best location for multiple benefits. Conservation measures are implemented throughout the state via local governments that work with landowners who voluntarily adopt conservation practices or enroll their land in a permanent protection conservation easement.
- Providing for targeted resource planning and evaluating the effectiveness of both the local governments implementing conservation efforts as well as the environmental outcomes.
- Ensuring compliance with environmental laws, rules, and regulations. BWSR is responsible for administering the Wetland Conservation Act (WCA) and providing oversight to drainage authorities operating under the drainage law.
- Implementing agency operations through board and administrative leadership, internal business systems, and operational support. This includes the board and board management, financial and accounting services, legislative and public relations, communications, and human resources.

Passage of the Clean Water, Land, and Legacy Amendment in 2008 brought high expectations for the outcomes achieved through Legacy funds. BWSR is committed to obtaining the best environmental outcomes through technical capacity at the local level and is providing transparent data and information that shows progress toward protecting and improving the state's natural resources.

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BWSR currently receives the majority of its funding from the general fund, Clean Water Fund and Outdoor Heritage Fund. In the FY 2012-13 biennium, total revenue is projected at \$125,842,000. Of this amount, 20 percent is general fund, 44 percent is Clean Water Fund and 25 percent is Outdoor Heritage Fund. Both the Clean Water and Outdoor Heritage Funds are from the Legacy Constitutional Amendment.

### **Strategies:**

The agency utilizes five major strategies to accomplish its mission and address its key issues:

- Develop and implement targeted conservation and clean water grant programs that encourage voluntary adoption of land management practices and projects that protect and improve the environment. This strategy addresses priority state and local resource concerns such as keeping water on the land; maintaining healthy soils; reducing pollutants in ground and surface water; assuring biological diversity; reducing flooding potential; and maintaining stream integrity.
- Oversee and assist local units of government in the development of comprehensive water and resource planning and implementation programs that target investments in conservation to obtain the greatest ecological benefit. This strategy is carried out by providing technical, administrative, and financial support to more than 240 local governments.
- Administer the state's WCA through coordinating the regulatory functions of federal and state agencies. The agency provides oversight of local implementation through annual reporting and adjudicating or mediating disputes elevated through an appeals process of local government decisions; managing and administering the state wetland bank system; and coordinating inter-agency funding to local governments for implementation of the WCA.
- Provide an essential interface between the state and local units of governments so that water, soil and habitat conservation and protection programs are integrated.
- Administer the Reinvest in Minnesota (RIM) Reserve program with private landowners through local Soil and Water Conservation Districts, USDA Natural Resources Conservation Service (NRCS), and other partners. Once permanent easements are secured and restored they provide substantial environmental benefits including increased wildlife habitat, improvements to water quality, improvements to flood mitigation efforts, and other benefits.

### **Measuring Success:**

Agency programs, primarily delivered through local units of government, have resulted in:

- Less sediment and nutrients entering our lakes, rivers and streams; as tabulated in eLINK and Minnesota Pollution Control Agency (PCA) water quality monitoring
- Greater fish, wildlife and native plant habitat; as measured by wetland reporting, wetland and prairie restoration and multi-agency wetland monitoring of Minnesota Department of Natural Resources (DNR) and PCA
- Conservation measures on private land with landowner contributions; as recorded in eLINK
- No net loss protection for the state's wetland resources; as measured by wetland reporting, wetland and prairie restoration, and multi-agency wetland monitoring of DNR and PCA
- Securing over 5,500 permanent conservation easements on 245,000 acres of environmentally sensitive land that remain in private ownership.

These outcomes are achieved despite intensification of agriculture, greater demands for forest products, and urbanization in many parts of the state.

**Water and Soil Resources, Board of**  
**Current, Base and Governor's Recommended Expenditures - Rev**  
(Dollars in Thousands, Biennial Totals)

	<b>General Funds</b>	<b>Other State Funds</b>	<b>Federal Funds</b>	<b>All Funds</b>
Current Biennium Expenditures (FY 2012-13)	\$37,325	\$116,249	\$3,669	\$157,243
Current Law Expenditures (FY 2014-15)	\$25,116	\$8,063	\$1,112	\$34,291
Governor's Recommended Expenditures (FY2014-15)	\$26,266	\$76,031	\$1,112	\$103,409
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$1,150	\$67,968	\$0	\$69,118
% Change from FY 2014-15 Current Law to Governor's Rec	5%	843%	0%	202%

**Water and Soil Resources, Board of  
Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$933		\$933
REVENUE	\$0	\$8,119	\$1,111	\$9,230
APPROPRIATION	\$26,266	\$67,968	\$0	\$94,234
<b>SOURCES OF FUNDS</b>	<b>\$26,266</b>	<b>\$77,020</b>	<b>\$1,111</b>	<b>\$104,397</b>
BALANCE FORWARD OUT		\$371		\$371
TRANSFERS OUT		\$620		\$620
EXPENDITURES	\$26,266	\$76,031	\$1,112	\$103,409
PAYROLL EXPENSE	\$6,353	\$1,227	\$854	\$8,434
OPERATING EXPENSES	\$2,711	\$506	\$49	\$3,267
OTHER FINANCIAL TRANSACTIONS			\$4	\$4
GRANTS, AIDS AND SUBSIDIES	\$17,202	\$74,131		\$91,333
CAPITAL OUTLAY-REAL PROPERTY		\$167	\$205	\$371
<b>USES OF FUNDS</b>	<b>\$26,266</b>	<b>\$77,022</b>	<b>\$1,112</b>	<b>\$104,400</b>

# Water and Soil Resources, Board of

## Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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### Clean Water Legacy - Surface and Drinking Water Protection/Restoration Projects

The Governor recommends funding for grants and incentive funding to local units of government for clean surface and source water best management practices and projects.

#### Performance Measures:

This funding will increase the number of practices and projects that restore and protect water quality.

Other Funds	Expenditure	18,000	18,000	36,000	0	0	0
	<b>Net Change</b>	<b>18,000</b>	<b>18,000</b>	<b>36,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Clean Water Legacy - Targeted Local Resource Protection and Enhancement Grants

The Governor recommends funding to enhance local government efforts to develop and implement water resource protection and management measures that go beyond state minimum standards for wetlands, shorelands, stormwater, sewage treatment, etc. and to undertake related projects to restore impaired waters and protect high quality resources.

#### Performance Measures:

This funding will assist local governments in implementing water protection measures.

Other Funds	Expenditure	4,000	4,000	8,000	0	0	0
	<b>Net Change</b>	<b>4,000</b>	<b>4,000</b>	<b>8,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Clean Water Legacy - Measures, Results and Accountability

The Governor recommends funding for conservation quality assurance, which the board of water and soil resources (BWSR) provides through oversight, assessment, assistance and reporting of local government performance and results.

#### Performance Measures:

This funding will report financial and conservation outcomes accomplished.

Other Funds	Expenditure	900	900	1,800	0	0	0
	<b>Net Change</b>	<b>900</b>	<b>900</b>	<b>1,800</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Clean Water Legacy - Conservation Drainage Management and Assistance

The Governor recommends funding for the conservation drainage program which aims to improve surface water management by providing grants for pilot projects to retrofit existing drainage management systems with water quality improvement and retention practices.

#### Performance Measures:

This funding will continue to improve water quality by providing grants to increase the number of drainage systems with water quality improvement practices.

Other Funds	Expenditure	1,700	1,700	3,400	0	0	0
	<b>Net Change</b>	<b>1,700</b>	<b>1,700</b>	<b>3,400</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Water and Soil Resources, Board of

### Governor's Changes

(Dollars in Thousands)

	FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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#### Clean Water Legacy - Permanent Conservation Easements: Riparian Buffers

The Governor recommends funding for the purchase of permanent conservation easements on riparian lands adjacent to public waters, except wetlands. Restoration of land with buffers of native vegetation is used to exceed shoreland program requirements.

##### Performance Measures:

This funding will increase the number of permanent conservation easements which act as buffers to protect adjacent lakes, rivers and streams.

Other Funds	Expenditure	6,500	6,500	13,000	0	0	0
	<b>Net Change</b>	<b>6,500</b>	<b>6,500</b>	<b>13,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Clean Water Legacy - Technical Evaluation

The Governor recommends funding for the evaluation of a sample of up to 10 habitat restoration projects, which is statutorily mandated.

##### Performance Measures:

This funding will evaluate existing projects and will provide useful recommendations for future projects.

Other Funds	Expenditure	84	84	168	0	0	0
	<b>Net Change</b>	<b>84</b>	<b>84</b>	<b>168</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Clean Water Legacy - Community Partners Clean Water Program

The Governor recommends funding to increase citizen participation in implementing water quality projects and programs to increase long term sustainability of water resources. Support will be provided to community groups, such as lake associations, non-profits, and conservation groups using a new 'small grants partners' program.

##### Performance Measures:

This funding will continue work on local water management plans by increasing the number of land and water treatment practices and pollution reduction amounts.

Other Funds	Expenditure	1,500	1,500	3,000	0	0	0
	<b>Net Change</b>	<b>1,500</b>	<b>1,500</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Clean Water Legacy - Permanent Conservation Easements: Wellhead Protection

The Governor recommends funding for permanent conservation easements on wellhead protection areas. The targeted wellheads will be in drinking water supply management areas designated as high or very high by the commissioner of health.

##### Performance Measures:

This funding will protect the area adjacent to wells to prevent groundwater contamination.

Other Funds	Expenditure	1,300	1,300	2,600	0	0	0
	<b>Net Change</b>	<b>1,300</b>	<b>1,300</b>	<b>2,600</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Water and Soil Resources, Board of

### Governor's Changes

(Dollars in Thousands)

	FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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#### Watershed Management Transition

The Governor recommends additional funding and staff to unite and simplify water planning across the state by planning and coordinating efforts of the State, counties, soil and water conservation districts, and watershed districts.

##### *Performance Measures:*

This investment will simplify the current water planning system by reducing the number of local water plans produced from 245 to 120.

General Fund	Expenditure	450	450	900	450	450	900
	<b>Net Change</b>	<b>450</b>	<b>450</b>	<b>900</b>	<b>450</b>	<b>450</b>	<b>900</b>

#### Internal Control Compliance

The Governor recommends funding for the board of water and soil resources to comply with recommended internal controls.

##### *Performance Measures:*

This investment will bring the board into compliance with the office of grants management policy and management and budget best practices.

General Fund	Expenditure	125	125	250	125	125	250
	<b>Net Change</b>	<b>125</b>	<b>125</b>	<b>250</b>	<b>125</b>	<b>125</b>	<b>250</b>

Net All Change Items	General Fund	575	575	1,150	575	575	1,150
	Other Funds	33,984	33,984	67,968	0	0	0
	<b>Net Change</b>	<b>34,559</b>	<b>34,559</b>	<b>69,118</b>	<b>575</b>	<b>575</b>	<b>1,150</b>



**Water and Soil Resources, Board of  
All Funds FTE by Program - Rev**

	Current	Forecast Base	Governor's Revised
<b>Program</b>	<b>FY 2013</b>	<b>FY 2015</b>	<b>FY 2015</b>
Program: Land & Water Cons. Projects	1.4	1.2	1.2
Program: Resource Protection Rules/laws	8.1	8.1	8.1
Program: Board Admin & Agency Ops	36.4	31.4	33.0
Program: Permanent Resource Protection	24.3	22.3	22.3
Program: Local Water Management	18.1	2.1	25.2
<b>Water and Soil Resources, Board of</b>	<b>88.3</b>	<b>65.2</b>	<b>89.9</b>

**Water and Soil Resources, Board of**  
**Revenue Summary**  
(Dollars in Thousands)

		Biennium FY14-15			
		General Fund	Other State Funds	Federal Funds	All Funds
Dedicated	FEDERAL GRANTS			911	911
	DEPARTMENTAL EARNINGS		506		506
	ALL OTHER	0	7,613	200	7,813
	Subtotal	0	8,119	1,111	9,230
	<b>Total</b>	<b>0</b>	<b>8,119</b>	<b>1,111</b>	<b>9,230</b>

# Water and Soil Resources, Board of Land and Water Conservation Projects

<http://www.bwsr.state.mn.us>

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## Statewide Outcome(s):

Land and Water Conservation Projects supports the following statewide outcome(s).

A clean, healthy environment with sustainable uses of natural resources.

## Context:

The goal of this activity is to meet state objectives for clean water, productive soil, and abundant fish and wildlife habitat through partnerships with local governments. Local governments in turn enter into agreements with private landowners to implement conservation practices and other projects that make progress toward state objectives.

In order to meet public goals, Minnesota needs businesses, citizens and local governments to adopt voluntary resource protection and improvement activities. The Board of Water and Soil Resources (BWSR) develops and delivers programs and projects by providing grants for targeted activities. An example of a targeted activity is a buffer installed along a stream to prevent sediment or pollutant laden runoff from reaching the water. These types of practices reduce the damage to Minnesota resources from soil erosion and the transport of pollutants into surface and groundwater. Environmental damage is reduced by keeping water on the land, or where this is not possible, treating runoff prior to entering a body of water. Sedimentation fills rivers and lakes, destroys habitat, carries pollutants, increases flood damages and reduces recreational value of water bodies. Soil erosion also reduces farm productivity, increases the costs of farming, and generates sediment for downstream communities to address.

Practices and projects are implemented via grants to a decentralized conservation delivery network of 250 local governments, including Soil and Water Conservation Districts, Counties, Cities, Watershed Districts, and Watershed Management Organizations.

Funding sources include the General Fund and the Clean Water Fund.

## Strategies:

Conservation Project and Practice Grants: State objectives for clean water, healthy soil, and abundant habitat are achieved by on-the-ground implementation of projects that address a wide range of conservation concerns, which include:

- *Keeping water on the land:* restoring natural hydrology and reducing runoff is addressed by restoring wetlands, installing raingardens, developing stormwater treatment ponds, and implementing conservation drainage practices
- *Maintaining healthy soils:* healthy soils are necessary for a thriving agricultural economy and are supported through conservation tillage and erosion control projects
- *Reducing pollutants in ground and surface water:* targeted activities to reduce pollution in sensitive ecological settings are accomplished by upgrading feedlots, subsurface sewage treatment systems, and sealing abandoned wells
- *Insuring biological diversity:* native buffers and cooperative weed management programs address invasive species management and the abundance of native plants to improve water quality
- *Maintaining stream integrity:* healthy stream hydrology and abundant fish and biota are accomplished through implementing streambank and shore stabilization
- *Improving drainage management* water quality is protected and improved through implementation of best management practices and planning on public and private drainage systems

Funds are provided to local governments for the costs of constructing conservation practices and projects in addition to the costs of project design, construction oversight, and required fiscal and outcomes reporting. Local governments also leverage substantial federal funds that are used in project development and implementation.

Eligibility for these funds is contingent on a state approved and locally adopted water management plan as required by Minn. Stat. 103B.3369. These plans link scientific information and community priorities and ensure that state funded projects are targeted to address water quality restoration or protection in concert with local funding.

Grant Management Services: BWSR uses a comprehensive grant management system to track the use of state funds in the most efficient manner possible. BWSR establishes eligibility criteria, determines grant program policies, reviews work plans, issues contracts, and conducts close-out reviews upon completion. The grant management system is compliant with the policies adopted by the Department of Administration.

BWSR seeks opportunities to coordinate the delivery of grant programs to local governments with other state agencies. Coordinated grants programs reduce administrative costs to state and local governments. In 2011, BWSR is directly managing or coordinating grants programs with the Minnesota Department of Agriculture, Minnesota Department of Health, Minnesota Pollution Control Agency, and Minnesota Department of Natural Resources.

A critical element of this grant management system is the eLINK online grant management system. Grant recipients use this database to develop project workplans, report grant activity and to estimate project pollution reduction and related outcomes. BWSR staff use this system to monitor grant recipient progress and to generate data on practice outcomes and locations. In 2012 BWSR began updating the system to adopt current technology, increase functionality, and address additional reporting requirements for the Clean Water, Land and Legacy Amendment.

## Results:

Delivering conservation programs to maximize their impact on the land and water resource: BWSR's strategic plan includes this goal which is realized through the development of grant programs that target funding to projects with the best environmental outcome.

- Project requirements will continue to strengthen the allocation of grant funding.
- Project environmental outcome estimates will be the primary basis for evaluating funding priorities.

Efficient and effective program implementation: Grant program administration efficiencies continue to increase while experiencing growth in total dollars and activities funded. Grant funds in this activity, excluding one-time flood response appropriations, have increased by more than 80 percent since 2007 while grant administration staff has increased by less than 1.5 full time equivalents.

Performance Measures	Previous	Current	Trend
Number of land and water treatment practices	4,784	7,039	Improving
Federal funds leveraged	\$1.31M	\$1.61M	Improving
Tons of soil saved	118,766	169,190	Improving

### Performance Measures Notes:

The previous time period is the FY 2010-11 biennium and the current time period is the FY 2012-2013 biennium. All figures are biennial totals. The "Current" biennium measures are estimates based on recent trends.

**Program: Land & Water Cons. Projects****Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	<b>General Funds</b>	<b>Other State Funds</b>	<b>Federal Funds</b>	<b>All Funds</b>
Current Biennium Expenditures (FY 2012-13)	\$4,258	\$1,283		\$5,540
Current Law Expenditures (FY 2014-15)	\$3,120	\$491		\$3,611
Governor's Recommended Expenditures (FY2014-15)	\$3,120	\$491		\$3,611
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$0	\$0		\$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%	0%		0%

**Program: Land & Water Cons. Projects**

**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15		
	General Funds	Other State Funds	Federal Funds
BALANCE FORWARD IN		\$562	\$562
REVENUE	\$0	\$874	\$874
APPROPRIATION	\$3,120	\$0	\$3,120
<b>SOURCES OF FUNDS</b>	<b>\$3,120</b>	<b>\$1,436</b>	<b>\$4,557</b>
BALANCE FORWARD OUT		\$325	\$325
TRANSFERS OUT		\$620	\$620
EXPENDITURES	\$3,120	\$491	\$3,611
PAYROLL EXPENSE	\$0	\$216	\$216
OPERATING EXPENSES	\$0	\$1	\$1
GRANTS, AIDS AND SUBSIDIES	\$3,120	\$108	\$3,228
CAPITAL OUTLAY-REAL PROPERTY		\$167	\$167
<b>USES OF FUNDS</b>	<b>\$3,120</b>	<b>\$1,436</b>	<b>\$4,556</b>

# Water and Soil Resources, Board of Resource Protection Rules and Laws

<http://www.bwsr.state.mn.us>

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## Statewide Outcome(s):

Resource Protection Rules and Laws supports the following statewide outcome(s).

A clean, healthy environment with sustainable uses of natural resources.

## Context:

This program supports and ensures compliance with environmental protection laws, rules and regulations of multiple agencies. BWSR is responsible for implementation of the Wetland Conservation Act (WCA), provides oversight to watershed district and county drainage authorities implementing Minnesota Statute (M.S.) 103E (drainage law), and leads the oversight, assistance, and facilitation elements of the state's programs affecting public drainage systems. Additionally, BWSR coordinates the funding and reporting of outcomes for local units of government that are responsible for the implementation of shoreland, feedlot, WCA, and subsurface sewage treatment system rules through the Natural Resource Block Grant (NRBG) program.

Local implementation of state resource management programs and drainage laws allows for regulation closest to the regulated activity and is more cost effective as implementation done directly by the State would require many additional State employees. These benefits include ensuring that local conditions, needs and authorities, are integrated with statewide natural resources management programs. BWSR provides important coordination, assistance, and oversight to ensure local governments have current knowledge as well as financial and staff resources to properly implement state programs.

WCA is administered by more than 300 local governments. Program requirements protect of the state's wetland resources through avoidance and minimization of drain and fill projects and provide a process to replace wetlands when an impact is unavoidable. The program balances the needs of local economies with the environmental benefits provided by wetlands. BWSR coordinates WCA implementation with the Federal Clean Water Act administered by the U.S. Army Corps of Engineers, Swampbuster provisions of the Federal Farm Bill administered by the USDA Natural Resources Conservation Service, the Minnesota Department of Natural Resources (DNR) and Minnesota Pollution Control Agency (MPCA).

These activities are funded through the general fund, Clean Water fund, fees, and bond funds.

## Strategies:

Program activities directly provide benefits and services to local governments and indirectly to landowners. The coordinated nature of these responsibilities requires BWSR to work with all government entities, nonprofit organizations, businesses, policy leaders, and natural resource managers.

### Wetland Regulation

BWSR responsibilities in wetland regulation include supporting implementation by local governments, conducting an appeals process when disputes occur regarding local decisions and enforcement actions, and improving efficiency for landowners through coordination with other state and federal agencies. Specific strategies includes:

- BWSR provides technical and administrative assistance to local governments through participation in local Technical Evaluation Panels (TEPs), rule guidance, enforcement, and regular training.
- Oversight of local implementation through project review, annual reporting, and local program audits.
- Administer and manage the State wetland bank through which regulated wetland impacts are replaced.

### Local Government Roads Wetland Replacement Program

Since 1996 statute has required BWSR to replace wetlands impacted as part of local transportation projects. BWSR has since leveraged the expertise gained through this requirement to establish a wetland replacement cooperative with the Minnesota Department of Transportation (MnDOT) through which state and local transportation wetland impacts are replaced as required by state and federal laws. This strategy results in the following benefits:

- 335 acres of required wetland replacement credit was provided for local transportation projects in 2011.
- More efficient mitigation and consolidating fragmented wetland impacts in targeted areas, providing better habitat, improved water quality, and other benefits at a lower public cost.

#### Locally Provided Implementation and Enforcement

Many environmental management programs are implemented by local governments as required by statute. BWSR coordinates financial support for these activities with the Department of Natural Resources (DNR) and Minnesota Pollution Control Agency (MPCA).

- Coordinated financial support to local governments that are mandated to manage Minnesota's resources through the Natural Resources Block Grant (NRBG). Programs are: BWSR Wetland Conservation Act, BWSR Comprehensive Local Water Management Program, DNR Shoreland Management, MPCA Feedlot Permit, and MPCA Subsurface Sewage Treatment System.
- An example of local government responsibilities includes technical, administrative and enforcement duties in implementing WCA, reviewing project applications, verifying wetland impacts and proposed wetland replacement, coordinating program administration, and responding to potential violations.
- BWSR ensures grant accountability through regular oversight and grant recipient reporting through the eLINK on-line grant management system.

#### Drainage Management

BWSR provides essential support to public drainage authorities and stakeholders through several key responsibilities that are discussed below:

- Provides advisory review of watershed district engineers' reports and plans for drainage, flood damage reduction, water quality, and other natural resource enhancement projects.
- Administers Ditch Buffer Strip Annual Reporting, which requires county and watershed district public drainage authorities to report miles of buffer strips established in accordance with statute, and system inspections and enforcement actions each calendar year.
- Facilitates drainage stakeholder coordination through the Drainage Work Group and the Drainage Management Team. These groups include representatives of many stakeholder entities and develops recommendations for updates of drainage law and coordinates information and technical assistance to local governments, respectively.
- BWSR administers a Conservation Drainage Program funded through the Clean Water, Land and Legacy Amendment. This program supports practices and planning on public and private drainage systems to protect and improve water quality.

### **Results:**

These activities support natural resource management and regulatory activities of local governments as they relate to wetlands, shoreland areas, feedlots, and SSTs. Key results are compliance with the Grant Management policies adopted by the Department of Administration and coordination with DNR and MPCA.

Specific to WCA, continued and improved coordination with federal wetland regulations under the Clean Water Act and federal Farm Bill is an ongoing priority. The benefits of improving this programmatic relationship are far reaching – particularly for conservation officials and landowners – and warrant significant effort by BWSR.

NRBG Grant funds are efficiently issued and monitored – Grant agreements are issued soon after the start of the State fiscal year to ensure continuity in local government implementation. This requires close coordination with the DNR and MPCA. On an annual basis, BWSR sends grant agreements to local governments by mid-August, and funds are transferred to the grantee by the end of the calendar year.

Local Governments continue to effectively implement WCA - BWSR supports and oversees local implementation through regular meetings, program reviews, and training sessions to maintain and improve the capability of the more than 300 local governments that administer WCA.



Performance Measures	Previous	Current	Trend
Miles of ditch buffer strips	400	400	Stable
Public road wetland mitigation provided (acres)	501	668	Worsening
Private wetland bank credits deposited (acres)	554	422	Worsening

Performance Measures Notes:

The previous time period is the FY 2010-2011 biennium and the current time period is the FY 2012-2013 biennium. All figures are biennial totals. The "Current" biennium measures are estimates based on recent trends.

**Program: Resource Protection Rules/laws****Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	<b>General Funds</b>	<b>Other State Funds</b>	<b>Federal Funds</b>	<b>All Funds</b>
Current Biennium Expenditures (FY 2012-13)	\$7,950	\$2,330		\$10,279
Current Law Expenditures (FY 2014-15)	\$7,950	\$2,870		\$10,820
Governor's Recommended Expenditures (FY2014-15)	\$7,950	\$2,870		\$10,820
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$0	\$0		\$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%	0%		0%

**Program: Resource Protection Rules/laws****Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15		
	General Funds	Other State Funds	Federal Funds
BALANCE FORWARD IN		\$157	\$157
REVENUE		\$2,759	\$2,759
APPROPRIATION	\$7,950	\$0	\$7,950
<b>SOURCES OF FUNDS</b>	<b>\$7,950</b>	<b>\$2,916</b>	<b>\$10,866</b>
BALANCE FORWARD OUT		\$46	\$46
EXPENDITURES	\$7,950	\$2,870	\$10,820
PAYROLL EXPENSE	\$1,070	\$536	\$1,606
OPERATING EXPENSES	\$34	\$81	\$115
GRANTS, AIDS AND SUBSIDIES	\$6,846	\$2,253	\$9,099
<b>USES OF FUNDS</b>	<b>\$7,950</b>	<b>\$2,916</b>	<b>\$10,866</b>

## Water and Soil Resources, Board of Board Administration and Agency Operations

<http://www.bwsr.state.mn.us>

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### Statewide Outcome(s):

Board Administration and Agency Operations supports the following statewide outcome(s).

A clean, healthy environment with sustainable uses of natural resources.

### Context:

This activity provides board and administrative leadership, internal business systems, and operational support to the agency. These services include finance and accounting, legislative relations, information technology, communications, and human resources.

During the past decade of reduced general fund revenue the Board's priority has been to look to the Administrative and Operations support area to carry a greater share of needed reductions in order to minimize impacts to agency programs and grants to local governments. The current 2012-2013 biennial budget of approximately \$96 million is 45 percent higher than in the 2008-2009 biennium, mostly due to appropriations from Legacy funds. However, during this same time, agency operations as funded by the general fund has decreased by 15 percent. In order to address the increased program activities with reduced operation funds, the agency has reduced administrative support positions (fiscal, human resources, office and administrative support and Information Technology support staff) and offset some of the loss in staff with shared services agreements. Currently, BWSR has such agreements with MN Department of Transportation, MN Pollution Control Agency, MN Department of Natural Resources, the Minnesota National Guard and the University of Minnesota as well as with federal agencies such as USDA NRCS (Natural Resource Conservation Service) and the U.S. Army Corp of Engineers. BWSR also has staff fulfilling critical project roles funded through the federal 319 program, bonding, and LCCMR funds. Additionally, BWSR has reduced fixed costs for occupancy by co-locating office facilities with other state agencies for all but four of 82 employees as well as eliminating programs not closely aligned with the mission of the agency such as the State Envirothon and the Volunteer Rain Gauge Monitoring Program.

Even with the reduction in general funds, the agency has been able to focus more fully on its mission by working in partnership with local organizations and private landowners through the fiscal years 2007 – 2009 Clean Water Legacy Act funding and more recently the Clean Water and Outdoor Heritage Constitutional Amendment funds. This agency is uniquely positioned to carry out the work needed to implement the on-the-ground water quality and conservation goals identified by local governments, legislative direction and commissions, and the executive branch because of its role in local water management planning and relationships to local units of government working on land management and water quality projects.

**Population Served:** Administration and operations directly serve all Board of Water and Soil Resources (BWSR) staff in order to provide efficient and effective implementation of agency programs. In addition to providing support to agency staff, this activity provides direct support to the 20 member Board which makes decisions about targeting state resources for implementing the state's resource conservation protection programs. Finally, through BWSR's communications and information management systems all citizens, legislators, community groups and businesses have access to data regarding local unit of government performance, maps indicating resource protection activities in their neighborhood, as well as publications and reports regarding important environmental events and concerns.

**Activity Funding:** In the current biennium, 84 percent of this budget activity is from the general fund and the remaining amount is from other funds, including Clean Water and Outdoor Heritage funds.

### Strategies:

#### Services Provided

- Board and Board Committees - provide policy development and direction regarding the goals of water planning conducted by local units of government and the targeting of grant funds to implement the state's conservation programs. The Board also provides oversight of regulatory decisions on projects and plans and hears appeals of local government decisions regarding wetland activities and water plan

implementation disputes. The 20 member board is comprised of citizens and representatives from city, county, township, watershed district and soil and water conservation districts as well as commissioners or their appointees from Department of Agriculture (MDA), Department of Natural Resources (DNR), Pollution Control Agency (PCA), Department of Health (MDH) and the University of Minnesota Extension Service.

- Executive Team - provides leadership and direction for the agency, develops and implements Board policies, manages all regulatory and legislative affairs, and represents the agency in interactions with stakeholders and local, state and federal levels.
- Administrative Services - provides human resource, labor relations, budgeting, payroll, purchasing, motor pool service, and financial reporting services.
- Information Technology - provides technical expertise and technical support, develops and implements essential programming systems, coordinates geographic information systems, manages telecommunication and network infrastructure.
- Communications - provides for strategic agency communication, coordinates media relations, web design, and publication.

## Results:

### Key Activity Goals and Measures

- **Efficient and effective operations:** BWSR strives to be efficient and effective. The Board increased from 17 to 20 members in 2010 in order to become more representative of those involved in implementing clean water initiatives, yet the expenses of the board and the cost for the board to operate have decreased due to better planning and scheduling of committee and board activities. The agency is responsive to the needs to its clientele because the overwhelming majority of agency staff came to BWSR after working professionally at a local unit of government or from the private sector which served local units of government.
- **Building partnerships:** the agency's strategic plan includes the goal of creating more effective partnerships. During the past two years, the agency has made a significant investment to enhance and expand relationships among stakeholders, state agencies, and federal partners, fundamental to the success of attaining its mission. These efforts have continued to build and will become increasingly important as financial resources remain constrained and expectations increase for accountability and delivery of conservation services.
- **Communicating needs and results:** the agency's strategic plan includes the goal of water and soil conservation accomplishments and needs to be well understood among those having significant influence and responsibility for accomplishing the BWSR mission. To address this goal BWSR has a redesigned website that features information such as a project of the month, a searchable database of local government performance, new reports on funding activities and outcomes, and an online calendar of training and organizational activities.

Performance Measures	Previous	Current	Trend
Interagency agreements to maximize state resources	18	20	Improving
Local Government Unit (LGU) performance assessments	7	9	Improving

### Performance Measures Notes:

"Previous" refers to FY 2010-2011 Biennium and "Current" refers to FY 2012-2013 Biennium. Interagency agreements provide for resources to offset reductions in state resources. BWSR views this statistic as an outcome rather than Output measure because of the contribution towards meeting agency goals that these agreements provide. LGU performance assessments ties to meeting effective operations goal.

**Program: Board Admin & Agency Ops****Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	<b>General Funds</b>	<b>Other State Funds</b>	<b>Federal Funds</b>	<b>All Funds</b>
Current Biennium Expenditures (FY 2012-13)	\$7,344	\$5,130		\$12,474
Current Law Expenditures (FY 2014-15)	\$7,290	\$0		\$7,290
Governor's Recommended Expenditures (FY2014-15)	\$7,540	\$1,800		\$9,340
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$250	\$1,800		\$2,050
% Change from FY 2014-15 Current Law to Governor's Rec	3%	0%		28%

**Program: Board Admin & Agency Ops**

**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15		
	General Funds	Other State Funds	Federal Funds
APPROPRIATION	\$7,540	\$1,800	\$9,340
<b>SOURCES OF FUNDS</b>	<b>\$7,540</b>	<b>\$1,800</b>	<b>\$9,340</b>
EXPENDITURES	\$7,540	\$1,800	\$9,340
PAYROLL EXPENSE	\$4,963	\$0	\$4,963
OPERATING EXPENSES	\$2,577	\$0	\$2,577
GRANTS, AIDS AND SUBSIDIES		\$1,800	\$1,800
<b>USES OF FUNDS</b>	<b>\$7,540</b>	<b>\$1,800</b>	<b>\$9,340</b>

## Water and Soil Resources, Board of Permanent Resource Protection

<http://www.bwsr.state.mn.us>

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### Statewide Outcome(s):

Permanent Resource Protection supports the following statewide outcome(s).

A clean, healthy environment with sustainable uses of natural resources.

### Context:

This program is designed to meet state objectives for clean water, productive soil, and abundant fish and wildlife habitat through partnerships that secure permanent conservation easements. Currently, much of the focus of this activity is the Reinvest in Minnesota (RIM) Reserve - Wetlands Reserve Program (WRP) Partnership. This is a local-state-federal partnership developed by an agreement between the Natural Resources Conservation Service (NRCS), Soil and Water Conservation Districts (SWCDs) and BWSR.

RIM Reserve provides BWSR with the authority to acquire conservation easements to permanently protect, restore and manage critical natural resources. A conservation easement is a legal encumbrance recorded with the deed that "runs with the land". The state manages the natural resources without owning the land. RIM Reserve compensates landowners for granting conservation easements, restoring drained wetlands, and establishing native vegetation habitat on economically marginal, flood-prone, environmentally sensitive or highly erodible lands.

The land remains in private ownership and the landowner retains responsibility for upkeep and paying all applicable real estate taxes and assessments. Because the state does not hold fee title to the property, easements generally cost the state less up front and less into the future compared to outright state purchase of the land, and are often the most cost-effective tool for the protection and restoration of natural resources on private lands.

RIM easements protect the state's water and soil resources by:

- retiring marginal agricultural lands
- restoring drained wetlands and associated buffers.
- enrolling highly erodible land, lands next to water courses and sensitive groundwater areas.
- acquiring buffers in sensitive landscapes, and
- reducing flooding potential by expanding flood retention areas along rivers

RIM is implemented at the local level by county SWCDs. BWSR provides statewide program coordination and administration such as developing easement eligibility criteria consistent with the requirements of M.S. 103F.505. BWSR provides grants to SWCDs for easement acquisition and technical assistance to secure these perpetual easements and to install the required conservation practices.

Funding sources include state bonding, Environmental and Natural Resources Trust Fund, Outdoor Heritage Fund, Clean Water Fund, and federal programs such as the Army Compatible Use Buffer (ACUB) project and WRP. Since 2000, the state has successfully leveraged 1.6 federal dollars for each state dollar for a total of more than \$309 million in federal funding.

### Strategies:

Conservation Easement Acquisition: BWSR staff provides the necessary administrative, legal, and engineering duties to secure the conservation easements with landowners through the local SWCDs. BWSR also provides 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, where BWSR has acquired over 71 conservation easements utilizing \$13.6 million federal dollars. This fee-for-service partnership has brought additional federal dollars for implementation to BWSR, approximately half of which is granted to the SWCDs in the counties where ACUB easements are being acquired.



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### Conservation Easement Management:

Effective easement management requires baseline reports at the time of acquisition and ongoing monitoring to ensure compliance. Baseline measurement and monitoring data is currently captured in BWSR's RIM Reserve conservation easement database. Geospatial data is also collected and maintained. This data is available upon request.

Monitoring components include property monitoring as well as easement enforcement, alternation and termination. The BWSR partners with local SWCDs to carry-out oversight monitoring and inspection of its conservation easements.

### **Results:**

#### Delivering conservation programs to maximize their impact on the land and water resource:

- RIM Reserve has 6,129 active easements totaling 220,350 acres of environmentally fragile land. Another 321 easements totaling approximately 24,247 acres are currently being acquired
- Water quality improves by removing environmentally sensitive cropland from production - 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
- Core areas protected with highly biologically diverse wetlands and plant communities, including native prairie, big woods, and oak savanna providing a multitude of environmental benefits
- Expiring Conservation Reserve Program (CRP) lands are permanently protected ensuring environmental benefits will last into perpetuity
- Increased participation of private landowners in habitat projects keeps citizens actively involved in the wise use and management of their natural resources
- Protected, restored, and enhanced habitat, including remnant native prairies, riparian forests, shallow lakes, wetlands and uplands for waterfowl, upland birds, and other species of greatest conservation need
- Water is kept on the land restoring hydrology to more of a natural condition and reducing downstream water quality and quantity concerns
- Due to extensive easement management and monitoring, RIM sites are being restored and maintained as planned while providing high quality wildlife habitat, water quality improvements, and other positive environmental accomplishments
- As the premier private lands wetland restoration program, the RIM-WRP Partnership has received a number of awards from private organizations and agencies. In addition, it has been used nationally as an example of a successful progressive partnership by the USDA and others.

Performance Measures	Previous	Current	Trend
Acres protected under RIM Reserve	209,584	210,308	Improving
Acres protected under ACUB	9,978	10,042	Improving
Federal Conservation Reserve Program (CRP) acres	1.386 million	1.175 million	Worsening

#### Performance Measures Notes:

The previous time period is the FY 2010-2011 biennium and the current time period is the FY 2012-2013 biennium. All figures are biennial totals. The "Current" biennium" measures are estimates based on recent trends.

**Program: Permanent Resource Protection****Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	<b>General Funds</b>	<b>Other State Funds</b>	<b>Federal Funds</b>	<b>All Funds</b>
Current Biennium Expenditures (FY 2012-13)	\$11,000	\$47,241	\$3,669	\$61,910
Current Law Expenditures (FY 2014-15)	\$0	\$3,947	\$1,112	\$5,059
Governor's Recommended Expenditures (FY2014-15)	\$0	\$3,947	\$1,112	\$5,059
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$0	\$0	\$0	\$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%	0%	0%	0%

**Program: Permanent Resource Protection**

**Sources and Uses**

(Dollars in Thousands)

Biennium FY14-FY15				
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$14		\$14
REVENUE		\$3,931	\$1,111	\$5,043
<b>SOURCES OF FUNDS</b>	<b>\$0</b>	<b>\$3,945</b>	<b>\$1,111</b>	<b>\$5,057</b>
EXPENDITURES	\$0	\$3,947	\$1,112	\$5,059
PAYROLL EXPENSE		\$473	\$854	\$1,327
OPERATING EXPENSES		\$72	\$49	\$122
OTHER FINANCIAL TRANSACTIONS			\$4	\$4
GRANTS, AIDS AND SUBSIDIES	\$0	\$3,402		\$3,402
CAPITAL OUTLAY-REAL PROPERTY			\$205	\$205
<b>USES OF FUNDS</b>	<b>\$0</b>	<b>\$3,947</b>	<b>\$1,112</b>	<b>\$5,059</b>

# Water and Soil Resources, Board of Local Water Management

<http://www.bwsr.state.mn.us>

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## Statewide Outcome(s):

Local Water Management supports the following statewide outcome(s).

A clean, healthy environment with sustainable uses of natural resources.

## Context:

BWSR's business model relies on having capable partners. This program develops local capacity to improve and protect Minnesota's water and soil resources by:

- Developing clear findings, direction, and priorities for addressing resource protection and restoration goals
- Insuring adequate technical resources and capacity are in place to implement protection and restoration projects
- Providing adequate training, oversight, and accountability for resource management
- Evaluating the effectiveness of protection and restoration efforts

## Historical Context

Soil and Water Conservation Districts were established in 1937 as a result of the dust bowl in order to provide outreach, technical and financial assistance to landowners that volunteered to implement conservation projects. The Watershed Act enacted in 1955, allowed for the creation of Watershed Districts (WDs). The statutory purpose is to conserve the natural resources of the state by land use planning, flood control, and other conservation projects by using sound scientific principles for the protection of public health and welfare and the provident use of natural resources. The Metropolitan Surface Water Management Act was enacted in 1982 and required watershed management principles to be applied to the seven county metropolitan area. A Comprehensive Local Water Planning and Management Act was enacted in 1985, to encourage counties outside the metropolitan area to plan for the protection and management of water and water-related resources. Eighty non-metro counties implement water planning through this program. The last large planning act is the Ground Water Protection Act of 1989. It contained language providing ongoing state support for local water planning through the local Water Resources Protection and Management Program.

In 2007 BWSR was given the responsibility to conduct local government unit water management performance reviews via M.S. 103B.102 - Local Water Management Accountability and Oversight. BWSR reviews the performance of partners in the above programs, maintains results on the agency website, and reports to the legislature by February 1 of each year.

## Strategies:

### Local Resource Protection Support

- Soil and Water Conservation District (SWCD) Conservation Delivery Grants provide each district with a certain degree of funding stability. This grant represents the state contribution of a decades-long partnership between state, local and federal governments to provide base-level resources for operating expenses associated with delivery of all state conservation programs.
- Engineering and technical assistance for SWCDs is provided throughout the state through eight regional Technical Service Area (TSA) joint powers boards. Grant funds ensure pools of expertise are in place to deliver conservation projects and practices in a cost effective manner.
- Inspections of more than 5,500 Reinvest in Minnesota (RIM) easements are conducted by SWCD staff to insure that conservation easements are intact and all restoration goals are met.

### Water Management Planning and Implementation

BWSR staff guide local government staff and boards as they develop comprehensive water management plans that address local priorities while meeting state requirements.

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The plan development and update process requires BWSR Board involvement and approval. BWSR also works to:

- Integrate Total Maximum Daily Load (TMDL) (pollution reduction plans) efforts into local water management plans.
- Enhance targeting of conservation priorities to obtain the best environmental outcome
- Facilitate and participate in multi-agency programs and projects such as the Environmental Quality Board (EQB) water planning, Red River Basin Long-Term Flood Solutions, Minnesota River Board, Area II Board and others
- Hear appeals of local water management plans and watershed district projects and actions.

#### **Quality Assurance and Quality Control**

- A training program for partners to acquire skills necessary to implement conservation programs.
- The Performance Review and Assistance Program (PRAP) provides systematic performance reviews of local governments. Progress is gauged by how well the organization is implementing its locally adopted and state approved plan.
- Reporting of financial and conservation outcomes is accomplished via eLINK, a database that is used to report grant activity, estimate project pollution reduction, and related outcomes.

#### **Restoration Evaluations**

The long-term integrity of the state's investment in permanent conservation easements is a critical component of the BWSR mission. The following inspection and restoration evaluation programs provide assurances that easements remain intact and the restoration is high quality.

- RIM easements are inspected annually for the first five years of establishment and then once every three years thereafter by SWCD staff.
- Wetland Bank monitoring includes hydrologic and vegetation assessment to validate acreage of wetlands restored. BWSR monitors sites until restored wetland credits are approved by local, state, and federal authorities. Routine monitoring is conducted every five years thereafter.

#### **Results:**

Measures of overdue management plans have exhibited a steady trend of improvement since inception of PRAP program. Water quality in major metropolitan lakes (not shown) likewise has improved over 30 year metro watershed planning period. The addition of a dedicated training coordinator in 2009 quickly ramped up quality and quantity of professional training opportunities.

#### **Increasing Local Government Effectiveness**

The ability for BWSR to fulfill its role in protecting and improving water and soil resources relies on an effective delivery system of local governments. This program activity is achieving results by:

- Striving to have 100 percent of the state approved and locally adopted water plans to be current and include targeting measures to address water quality concerns
- Annually providing in-depth evaluation of eight local government units performance in meeting their goals outlined in their water plan
- Increasing by ten percent over the next two years the training opportunities for skills enhancement that is offered or coordinated with other organizations
- Developing and utilizing assessment and evaluation methods that are science-based, practical, effective, and transparent

Since 2007, BWSR has completed 35 detailed assessments of Local Government Unit (LGU) performance in plan implementation. These detailed assessments, conducted through the PRAP Program, measure four aspects of performance: planning, execution, administration and communication. In addition, each year BWSR tracks base level performance of all 243 local water management entities. In 2011, 84 percent of those entities met all of BWSR's base-level performance standards.

Performance Measures	Previous	Current	Trend
Overdue long-range management plans per PRAP program	15	7	Improving
WRP and wetland bank sites monitored (cumulative)	277	173	Worsening
BWSR Academy participants (two years)	378	636	Improving
County contributions to SWCD operations	\$10.0M	\$9.4M	Worsening

Performance Measures Notes:

Unless otherwise noted, the previous time period is the FY 2010-11 biennium and the current time period is the FY 2012-13 biennium. All figures are biennial totals. The "Current" biennium measures are estimates based on recent trends. Wetland monitoring decrease associated with government shutdown. Academy numbers based on 2010-11 events. County contributions to SWCD operations compares 2009 to 2011.

**Program: Local Water Management****Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	<b>General Funds</b>	<b>Other State Funds</b>	<b>Federal Funds</b>	<b>All Funds</b>
Current Biennium Expenditures (FY 2012-13)	\$6,774	\$60,267		\$67,040
Current Law Expenditures (FY 2014-15)	\$6,756	\$754		\$7,510
Governor's Recommended Expenditures (FY2014-15)	\$7,656	\$66,922		\$74,578
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$900	\$66,168		\$67,068
% Change from FY 2014-15 Current Law to Governor's Rec	13%	8,776%		893%

**Program: Local Water Management**

**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15		
	General Funds	Other State Funds	Federal Funds
BALANCE FORWARD IN		\$200	\$200
REVENUE		\$554	\$554
APPROPRIATION	\$7,656	\$66,168	\$73,824
<b>SOURCES OF FUNDS</b>	<b>\$7,656</b>	<b>\$66,922</b>	<b>\$74,578</b>
EXPENDITURES	\$7,656	\$66,922	\$74,578
PAYROLL EXPENSE	\$320	\$2	\$322
OPERATING EXPENSES	\$100	\$352	\$452
GRANTS, AIDS AND SUBSIDIES	\$7,236	\$66,568	\$73,804
<b>USES OF FUNDS</b>	<b>\$7,656</b>	<b>\$66,922</b>	<b>\$74,578</b>



## Federal Funds Summary

Federal Award Name	New Grant	Purpose / People Served	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match Yes / No	Required State MOE Yes /No	State-wide Outcome
Federal Fund - Agency Total			2,863	805	555	555			
Program Total			2,863	805	555	555			
Budget Activity Total			2,863	805	555	555			
ACUB Buffer Easement Program. Funds recd from U.S. Army	No	Purchase easements around Camp Ripley.	2,527	174	174	174	No	No	Environment
U.S.D.A. Nat'l Resource Cons Serv (NRCS) wetland monitoring and wetland reserve program engineering	No	Perform wetland monitoring and perform WRP engineering tasks	155	267	131	131	Yes	No	Environment
U.S.D.A. Nat'l Resource Cons Serv (NRCS) wetland conservation act Swampbuster Agreement	No	Wetland Conservation Act enforcement	149	261	200	200	Yes	No	Environment
U.S. Army Corp of Engineers Interpersonnel agreements	No	Wetland Banking program support	32	103	50	50	Yes	No	Environment

### Narrative:

Please provide a brief narrative overview of all the agency's federal funds to give a general overview of the role of the federal funds within the agency. The narrative should be written in language understandable to the public and should be approximately a half page in length. Please include the following information, where applicable:

- maintenance of effort levels (MOE)
- changing funding levels or trends that may impact future awards
- major state funding related to federal awards
- basis for estimates
- potential impact of sequestration

## Grants Funding Detail

Program Name (Indicate Federal, State or Both) Legal Citation		Purpose	Eligibility Criteria	2012	2013
State Cost Share Program (General Fund) MN Statutes 103C.		Provides grants to local government to help landowners offset costs of installing conservation practices that protect and improve water quality by controlling soil erosion and reducing sedimentation.	Recipient: Local government units (Soil and Water Conservation Districts) Must meet requirements of MS 103C.501	\$1,560	\$1,560
State Conservation Delivery Program (General Fund) MN Statutes 103C.		Provides grants to local governments (Soil and Water Conservation Districts) for (1) Conservation Delivery (general administration and operation of the district), (2) Easement Delivery (easement site inspection costs), and (3) Non Point Engineering Assistance (providing technical assistance to landowners to apply conservation practices.)	Recipient: Local government units (Soil and Water Conservation Districts) Must meet requirements of MS 103C.501	3,116	3,116
Natural Resource Block Grant Program (General Fund) MN Statutes 103B.3369		Provides grants to local government units for (1) local water management planning, (2) Wetland Conservation Act management, (3) DNR Shoreland Management, MPCA County Feedlot Program, and the MPCA/BWSR Subsurface Sewage Treatment System Program Note: The MPCA funds are not appropriated to BWSR and are excluded from the cost figures for FY12 and FY13.	Recipient: Local government units (Counties) Must have submitted an allocation and contribution statement.	3,423	3,423
Local Government Grants (General Fund) MN Statutes 103B.3369		Provides pass through grants to three local government units: Minnesota River Joint Powers Board, Area II Joint Powers Board and Red River Basin Commission. The grants are for these boards to coordinate water and land conservation planning. The Red River Basin Commission is a non-governmental agency that assesses water issues in the Red River Basin; the MN Joint Powers Board coordinates clean water efforts in the MN River Basin and Area II provides financial and technical assistance to the nine member counties for the planning, design, and installation of floodwater retention projects.	Recipients: Local Boards as listed. Must submit an Annual Plan	262	262
Clean Water Assistance Grants (Appropriations from Clean Water Fund, authorized in Article XI Section 15, MN Constitution)		Provides competitive grants for projects to protect, enhance and restore water quality in lakes, rivers and streams and to protect groundwater and drinking water. Activities include structural and vegetative practices to reduce runoff and retain water on the land, feedlot water quality projects, SSTS abatement grants for low income individuals, and stream bank, stream channel and shoreline protection projects. Amounts shown for Clean Water Fund programs are amounts appropriated before allocation for agency implementation costs.	Recipients: Local government units (Soil and Water Conservation Districts, Watershed Districts, Watershed Management Organizations, Counties, and Cities) Must meet 25% non-state match (cash or in-kind) requirement and must be working under a current state approved and locally adopted local water management plan.	13,750	15,350
Clean Water Accelerated Implementation Grants (Appropriations from Clean Water Fund, authorized in Article XI, Section 15, MN Constitution)		Provides competitive grants for projects and activities (such as ordinances, organization capacity, and state of the art targeting tools) that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation.	Recipients: Local government units (Soil and Water Conservation Districts, Watershed Districts, Watershed Management Organizations, Counties, and Cities) Must meet 25% non-state match (cash or in-kind) requirement and must be working under a current state approved and locally adopted local water management plan.	3,000	3,600
Conservation Drainage Grants (Appropriations from Clean Water Fund, authorized in Article XI, Section 15, MN Constitution)		Provides competitive grants for pilot projects to retrofit existing drainage systems with water quality improvement practices, evaluate outcomes and provide outreach to landowners, public drainage authorities, drainage engineers, contractors and others.	Recipients: Local government units (Soil and Water Conservation Districts, Watershed Districts, Watershed Management Organizations, Counties, and Cities) Must meet 25% non-state match (cash or in-kind) requirement and must be working under a current state approved and locally adopted local water management plan.	1,000	1,700
Community Partners Conservation Program (Appropriations from Clean Water Fund, authorized in Article XI, Section 15, MN Constitution)		Provides competitive grants for community partners within a local government unit's jurisdiction to implement structural and vegetative practices to reduce stormwater runoff and retain water on the land to reduce the movement of sediment, nutrients and pollutants. (LGUs are the primary applicant and provide sub-grants to community partners.)	Recipients: Community Partners via Local government units (Soil and Water Conservation Districts, Watershed Districts, Watershed Management Organizations, Counties, and Cities) Community partners include non-profits, citizen groups, businesses, student groups, faith organizations, and neighborhood, lake, river or homeowner associations.	1,500	1,500