

NORTHERN COUNTIES LAND USE COORDINATING BOARD
Minutes
Thursday, January 6, 2011
Chisholm, Minnesota

Call to Order: The meeting was called to order at 9:40 a.m. by Director Douglas Skrief with the following in attendance. (All actions of the Board were supported unanimously unless otherwise indicated.)

All Member Counties Present:

Commissioner Brian Napstad, Aitkin
Commissioner Fritz Sobanja, Cook
Commissioner Wade Pavleck, Koochiching
Commissioner Todd Beckel, Lake of the Woods
Commissioner Don Jensen, Pennington
Commissioner Jack Swanson, Roseau
Commissioner Chris Dahlberg, St. Louis
Commissioner Mike Forsman, St. Louis
Commissioner Steve Raukar, St. Louis

Others Present:

Pat Henderson, Arrowhead Regional Development Commission
Craig Engwall, Department of Natural Resources
Elanne Palcich, Chisholm resident
Douglas Skrief, NCLUCB Staff

Administrative Actions:

1. Election of Officers:

Chair: Nomination of Comm. Pavleck
m. Beckel s by Swanson;
m. Jensen for closure of nominations and unanimous approval s. Napstad.
Vice Chair: Nomination of Comm. Dahlberg
m. Swanson s. Napstad
Treasurer: Nomination of Comm. Raukar
m. Napstad s. Jensen

2. Approval of Agenda with the following additions:

1) Discussion of relationship with Joint Powers Natural Resources Board (NCLUCB)
m. Swanson s. Beckel

3. Approval of Minutes: December 2, 2010 Meeting

With the correction that in the first paragraph under the first item of Local items it state that:
"Comm. J. Swanson suggested a letter be sent to past member counties to encourage participation."
m. Napstad s. Swanson

3-4. Financial Report and Bills:

The Treasurer reported a general account balance of \$93,063.25 and a Land Use Conflict Management balance of \$15,005.28. Total accounts balance, after payment of approved expenses of \$827.35, was \$108,068.53. The Executive Director submitted an invoice for \$745.20 for one month of professional services and expense reimbursement.

m. Raukar s. Jensen

Comm. Raukar will pursue information from the St. Louis County auditor regarding merger of the General and Conflict Resolution funds.

Correspondence:

None reported other than informational inquiries forwarded to appropriate parties.

Discussion IssuesLOCAL

1. Land Asset Management The item was tabled until DNR Regional Director Mike Carroll could be present. Comm. Swanson nevertheless recalled that Roseau County and the Department of Natural Resources have been involved in the Land Asset Pilot Project, the short term goal of which is the exchange of DNR and county-owned land. The county land is within Wildlife Management Areas. The state would offer seven distinct parcels if 40 acres which the county may in turn sell. A longer-term outcome of the two-year process would be a description of the unwieldiness of the process itself. Presentation of the description before the Legislator's Environment and Natural Resource Committee is predicted.

Other discussion points included the note that the exchange will be value for value using a DNR appraiser. The exchange of larger parcels may make more sense considering the current high administrative costs. Full compensation of the School Trust is of concern. The Department of Revenue is a major player in valuations. The Roseau- DNR exchange may take up to three years to complete, much in excess of an exchange between private willing partners. In St. Louis County exchanges are complicated by there being tax-forfeited and state land as well as federal land. Counties may need to lead the effort to expedite exchanges. Slow acquisition process does allow alerting of counties to the change.

Economic incentives in a county's interest tend to govern swaps of land. County held parcels in the midst of state or federal land lead to inefficiencies, especially in timber production. County-acquired tax-forfeited land may lead to loss of PILT. With county leadership, the process might be expedited. Perhaps an approach to legislators may be a starting point. Some classifications of land may prevent return to taxable status. Shift of Trust status may take court approval. Roseau County was required to purchase one parcel from itself to satisfy bureaucratic demands, reflecting complexities of assessments and classifications.

2. Mining news Duluth Metals, now named Twin Metals, is building new headquarters in Ely. A visit to the Ely area development association, reported Comm. Forsman, revealed that Franconia and Twin Metals have found larger and richer deposits than expected of precious metals such as palladium, copper and gold. Deposits on Birch Lake are expected to yield 100 years of mining. Permitting is a long process; PolyMet is expecting at least two to three years of approval time before it begins to mine. Duluth Metals is expecting \$1.5 billion in costs while employing 1,500 workers for 30-40 years. Franconia is predicting 250-400 full-time workers. PolyMet may bring similar numbers. Rep. Chip Cravaack will be pushing for expedited permitting. Comm. Raukar added that Taconite production in 2010 was double 2009 yields; forecast is for stable production in 2011. Processing over the years has become more efficient and cleaner.

STATE

1. Frederickson named Agriculture Commissioner Former legislator and head of the Minnesota Farmers Union and the national Farmers Union Dave Frederickson has been named by Governor-elect Dayton to the post of Agriculture Commissioner. News was also received that Tom Landwehr has been appointed head of the Department of Natural Resources. Paul Aasen has been named head of the Minnesota Pollution Control Agency.

2. Lessard Sams Outdoor Heritage Council Nominations to the council were due in December, according to Comm. Forsman, who was asked to submit his name by the local soil and water board. Comm. Napstad recalled that Bill Becker had recommended submitting names earlier and that Bob Fenwick's name was forwarded. Appointments are staggered. Currently the Senate and House have one citizen appointment each (to replace Nelson and Kilgren) and the Governor has two (to replace Cox and Rawl) in 2011. Other vacancies will occur in 2013. Comm. Swanson recommended putting names forward for the next round.

3. Board of Soil and Water Resources Appointments Comm. Napstad reported that a board member position, a watershed management position, and a soil and water conservation district commissioner position are up – all Governor-appointed positions. There is some question as to two-term limits, which may in fact not be policy but carried on by informal agreement.

4. Future Forest Initiative appointments Requested representation may be accepted. Mr. Engwall will follow up on the status of this request.

FEDERAL

1. Removal of Great Lakes Wolves from Endangered List The U.S. Fish and Wildlife Service will announce by April a plan to return to the states of Minnesota, Wisconsin and Michigan management control of wolf populations. It is expected that court challenges will ensue.

NCLUCB

1. Joint Powers Natural Resources Board Comm. Napstad reported that some member counties of NCLUCB also serve on the JPNRB which was formed some years ago to address issues of payments on con-con lands. Seven counties have con-con lands. These were tax-forfeit lands that the State took over during the ditching era when landowners were unable to pay assessments on ditch maintenance. Various issues of non-payment by the state ensued. Former Land Commissioner Roger Howard of Aitkin County formed JPNRB. While state payments regarding assessments was the main topic of discussion initially, issues addressed presently include land transfer, PILT, and Lessard-Sams and other issues of mutual concern.

At a recent AMC meeting Comm. Napstad suggested to other commissioners the merger of the two organizations. The geographic area includes the northern one-third of the state, virtually all forestry activity, wetlands, developable lakes, and DNR Region One. Immediate concern was of logistics of meeting location. Comm. Napstad urged first considering speaking as one voice for the natural resources of the northern part of the state. Also, busy commissioners are now speaking with various small voices.

Comm. Swanson reported that Roseau County would consider a larger voice a better voice. He added personally that a joined group might become a more influential voice at Minnesota Rural Counties Caucus, which Comm. Jensen related is a 26-member organization formed as an arm of AMC in response to the Wetlands Act of 1989 and now addressing mostly state issues such as PILT, forestry, and human services. Comm. Dahlberg argued for consolidation. Comm. Beckel recalled the overlap of NCLUCB, JPNRB and MRCC.

Further discussion supported consolidation. Bringing MRCC into that consideration seemed premature and perhaps limiting in regards to issues in opposition to AMC positions. St. Louis County may have a voice in a joining of NCLUCB and JPNRB. Comm. Raukar suggested looking at missions of the organizations and beginning with an education about each. Comm. Napstad again argued for strategic considerations and then follow with logistical issues if need be. Mr. Engwall offered to host a meeting at DNR headquarters in Grand Rapids.

Discussion led to instruction to the Director to contact Kallie Briggs of JPNRB to discuss exchange of information and setting up of a joint meeting of the boards in Grand Rapids.

m. Forsman s. Napstad

Adjournment at 12:00 p.m.

m. Jensen s. Beckel

Next meeting March 3, 2011, 9:30 a.m. KOOTASCA Senior Center, Northome, MN

Respectfully submitted by Douglas Skrief, Administrator