

NORTHERN COUNTIES LAND USE COORDINATING BOARD

Minutes

Monday, July 25, 2011

Bemidji, Minnesota

NOTE:

The Northern Counties Land Use Coordinating Board met in conjunction with the Joint Powers Consolidated Conservation Natural Resource Board at the Beltrami County Administrative Building. Chairman Mike Hanson of the Joint Powers Board called to order a meeting of the Joint Powers Board and discussion followed as described below. Following this meeting, at which Northern Counties members participated in the discussion, the formal meeting of the Northern Counties board was called.

Discussion Issues

Wetland Mitigation Comm. Brian Napstad reviewed the issue of significant wetland mitigation activity occurring in northern Minnesota counties where land is relatively cheap, noting that the Wetland Conservation Act's language stipulates that land to be impacted must be mitigated with other wetlands and that traditionally this has been carried out on an acre-for-acre basis. Mitigation in northern counties is not always in the best public interest. U.S. Steel, as an example, might be paying \$4,000 an acre for mitigation land located within Aitkin County where there is no problem with flooding or water retention and where nearly all historic wetlands still exist. There is little public value, in short, to mitigate in Aitkin County. At the same time, the Governor is calling for \$50 million in flood mitigation in the Red River Valley where there are some water retention issues; however, there is little mitigation in that area because of the high value of cropland. An acre-for-acre formula might be transposed into a dollar-for-dollar mitigation. For example, a need to mitigate \$50,000 of mining land in northeastern Minnesota might result in \$50,000 worth of mitigation in another area of the state where there is a greater public value. This is not an effort to stop mitigation but to target greatest public value. Restoration, enhancement and buffers may be considered. Comm. Jensen reviewed the various and sometimes complicated types of wetlands and suggested that there has been realized a net gain of wetlands to-date. Some farmers rent ponds in the Red River Valley to plant them, it was noted. Mitigation is a voluntary program and will remain optional.

Comm. Wade Pavleck added that public value was a goal of early discussions, noting that current review of logging road type designations by the EPA is adding a bureaucratic level to non-point discharge issues and may point to mitigation issues on the national level.

Comm. Napstad recommended that he might work with the Executive Director of BWSR, John Jaschke, to get his support and input on how to carry a public value criterion rather than an acre-for-acre rule on to legislators. Other agencies, such as the DNR, might be supportive. The relationship with the Army Corps of Engineers might be addressed after state support is secured. Comm. Napstad will forward a draft letter on the issue that has now been reviewed by the Joint Powers and Northern Counties boards to Mr. Jaschke with a view to bringing it to agency and legislative levels after further refinement. Comm. Hanson asked that both the Joint Powers and Northern Counties groups be included in the language of the letter.

Wolf Control A response from Secretary Tom Vilsack, United States Department of Agriculture, to a joint letter from Northern Counties and the Joint Powers boards, explained loss of \$200,000 of earmarked funds for wolf damage management activities and the use of available resources to continue protection of American agriculture under appropriate legal activities. Comm. Russ Walker noted that payment to trappers had recently been curtailed though the Sec. of Agriculture had since funded the control funds on his own and trappers had restarted control efforts. Noted was that meetings on the wolf around Grand Rapids attracted 250 people with only one person against control. An incident of four wolves being taken recently near a day-care area elicited support for control.

Craig Engwall recalled his involvement in the defense of the state plan twelve years ago and suggested that delisting issues might be dated from that period when a five-year moratorium was called. A formal rule-making process would be necessitated. There would have to be funding for trapping. There would be a willingness from the State to trap should the Federal government not create a plan. The state plan allows for protection of property, including livestock and pets; a landowner would be able to dispatch a wolf. There is no proposed hunting element in state plans at present. Comm. Walker recommended reviewing any proposed plan early on in the planning process.

PILT In response to questions from Comm. Hanson, Mr. Engwall reported no comment on Payment In Lieu of Taxes. SFIA will be capped and cause some problems. A value of assessments on Blandin land in Itasca County is in question but may predate easement issues; the companies recent forest easements were mostly in Itasca. It will be case-by-case, and assessors have leeway.

It appears PILT will be frozen at 2011 levels. Comm. Beckel reviewed a proposal to formulate new payments and a proposal that would decrease the next payment by 12 percent.

Department of Natural Resources Mr. Engwall reviewed DNR activities during the State shutdown. Some employees were deemed essential during the shutdown. Everyone is now back at the job. St. Croix State Park's shutdown and absence of users meant that a storm that caused \$1 million in damage to buildings and dropped 100,000 cords of wood left no one injured. The logging community was affected by the shutdown. Tourists seeking fishing licenses were disappointed. Dumping was frequent in parks.

Comm. McBride asked after the ability of National Park Service personnel to enforce State game laws. The answer was not clear though there is a precedent for enforcement in which all state laws are enforceable. In other discussion, it was note that the Federal government involving itself in enforcement, at will, of state laws is of concern. The acceptance of Stonegarden grants to county personnel complicated the issue.

Mr. Engwall offered his cabin as a location for the October 6 joint meeting.

It was recalled that joint meetings of the Joint Powers and Northern Counties boards were called for to test the waters on a potential merger. Discussion reviewed the efficacy of a combined voice. The potential loss of St. Louis County was of some concern. It was noted that Roseau, Lake of the Woods, Aitkin and Koochiching Counties are on both boards. Comm. Hanson asked for minutes of the Northern Counties meetings to be supplied to member counties.

Comm. Beckel asked Mr. Engwall for input on PILT as there will be a call for recommendations on new acquisition of land and payment for land that is now held. Acquisition of land with Lessard-Sams funds is one area of concern. AMC has returned to a recommended option of the creation of a trust from which to pay PILT with a one-time upfront investment for lands acquired. Levels of upfront payment have been suggested at 50 to 75 percent of the value of the land. There has been some question of using Lessard-Sams funds for upfront payments.

Comm. Napstad urged commissioners to find out the amount of tax-exempt land within their respective counties. Aitkin County wants to track future tax-exemptions of properties for consistency – for example, with the expansion of such tax-exempt parcels as church camps. Comm. Swanson added that the Roseau River Watershed Board owns a significant amount of land and is looking at making a one-time payment with project funds to take the land off the tax rolls in the future; one resulting question is whether the land would stay in public use indefinitely or, if the land is sold, if the county would have to reimburse PILT funds? Comm. Sobanja noted that in Cook County, with 89 percent public land and 3 percent exempt land, tax-exempt camps benefit the local economy and attract future residents. Comm. Fairbanks recalled a court case regarding limited use of an exempt property in Beltrami County that favored the tax-exempt owner. Lake County has been taxing undeveloped parcels belonging to churches, Comm. Sve noted; a use case was reviewed by the Department of Revenue that supported county decisions on use.

Call to Order: The meeting of the Northern Counties Land Use Coordinating Board was called to order at 11:40 a.m. by Chair Commissioner Wade Pavleck with the following in attendance. (All actions of the Board were supported unanimously unless otherwise indicated.)

All Member Counties Present:

Commissioner Fritz Sobanja, Cook
 Commissioner Brian McBride, Koochiching
 Commissioner Wake Pavleck, Koochiching
 Commissioner Rich Sve, Lake
 Commissioner Todd Beckel, Lake of the Woods
 Commissioner Ken Moorman, Lake of the Woods
 Commissioner Don Jensen, Pennington
 Commissioner Jack Swanson, Roseau

Others Present:

Mike Hanson, Koochiching County

Kallie Briggs, Joint Powers Consolidated Conservation Natural Resource Board
Craig Engwall, Department of Natural Resources
Douglas Skrief, NCLUCB Staff

Administrative Actions:

1. Approval of Agenda with the following additions:

m. Napstad s. McBride

2. Approval of Minutes: July 7, 2011

m. Swanson s. Beckel

3-4. Financial Report and Bills:

The Director reviewed the income and expenditures sheets reflecting a general account balance of \$104,401.79 and a Land Use Conflict Management balance of \$15,005.28. The total accounts balance, after payment of approved expenses of \$733.14, was \$119,407.07.

m. Jensen s. Napstad

Correspondence:

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1. Wetland Mitigation: Comm. Pavleck reiterated that to speak with one voice would be advisable. This should be done as a joint group before the December AMC meeting. Policy meetings will precede that date.

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Budget: Tabled until the September meeting. Dues to counties will not be increased, it was agreed. Comm. Hanson noted that the Con-Con board dues are \$500 or \$1,000. Comm. Jensen urged that a letter be sent to counties that notice be sent to member counties that dues would not increase for 2012 and might be less.

m. Jensen s. Napstad

Next meetings of NCLUCB The next meeting will be held on September 1 in Chisholm.

Adjournment at 11:47 a.m.

m. McBride s. Jensen

Next meeting September 1, 2011, 9:30 a.m. Chisholm, Minnesota

Respectfully submitted by Douglas Skrief, Administrator